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REAUTHORIZATION OF WIC, THE COMMODITY SUPPLEMENTAL FOOD PROGRAM, AND THE TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

HEARING

BEFORE THE

SUBCOMMITTEE ON NUTRITION

OF THE

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

JUNE 17, 1985

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REAUTHORIZATION OF WIC, THE COMMODITY SUPPLEMENTAL FOOD PROGRAM, AND THE TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

MONDAY, JUNE 17, 1985

U.S. SENATE,
SUBCOMMITTEE ON NUTRITION OF THE
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:45 a.m., in room SR 328-A, Russell Senate Office Building, Hon. Bob Dole (chairman of the subcommittee) presiding.

Present: Senators Dole and Boschwitz.

Also present: Senator Helms.

STATEMENT OF HON. BOB DOLE, A U.S. SENATOR FROM KANSAS

Senator DOLE. The subcommittee will come to order.

Our first panel on this second day of nutrition hearings consists of Richard Blount, president of the National Association of State WIC Directors; Dr. Alvin Mauer, chairman of the Committee on Nutrition, American Academy of Pediatrics; Dr. David Rush, M.D., principal investigator, National WIC Evaluation; and Dr. David Paige, M.D., professor of maternal and child health, Johns Hopkins. Are we all here? Come on up to this side of the table.

I just want the record to indicate that I have a statement that will be made a part of the record,[1] and I point out that, in addition to the reauthorization of the child nutrition programs, we also will be looking at reauthorization of the Food Stamp Program, the Commodity Supplemental Food Program, and the Temporary Emergency Food Assistance Program.

Our first witnesses will testify on the effectiveness of the WIC Program, and changes, if any, that they would recommend to improve this program. Just recently, in fact last week, OMB requested the additional $76 million necessary to fund this program at the current services level of 3.1 million participants.

We will also hear testimony on the Domestic Food Assistance Act of 1985, and the Temporary Emergency Assistance Program.

Mr. Blount, do you want to begin?

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[1] See p. 62 for the prepared statement of Senator Dole.

STATEMENT OF C. RICHARD BLOUNT, PRESIDENT, NATIONAL ASSOCIATION OF STATE WIC DIRECTORS, AND MISSOURI STATE WIC DIRECTOR, JEFFERSON CITY, MO

Mr. BLOUNT. Thank you, Senator.

Mr. Chairman, my name is C. Richard Blount. I am president of the National Association of WIC Directors. I have been director of the Missouri WIC Program since 1976.

I appreciate the opportunity to appear before this committee again this morning.

Senator DOLE. I would also indicate to the witnesses, if you can summarize your statements in 5 minutes, then we will have time for questions.

Mr. BLOUNT. I will try to do that, sir.[1]

In my previous appearances I have always sought to affirm the merits of the WIC Program, but today I do not feel that is necessary. I think you did that quite adequately, sir, in your own statement concerning the release of the $76.4 million, when you stated that "the WIC Program is one of the most cost effective Federal programs in existence."

We agree with you also as an association that an investment in WIC "is a sound investment of Federal funds that saves billions of dollars in health expenditures by preventive intervention."

We also concur that we have an unbeatable track record as a Federal nutrition program. Our own Missouri study of 6,560 prenatal women, matching the birth certificates of their offspring in 1980, indicated and documented that for both nonwhite and white participants, the low birth weight rates were less than one-half of the rates for comparable non-WIC mothers.

We feel, therefore, that you and your fellow Senators are very much aware of the great benefits of this program, and so I express gratitude this morning without arguing that particular case.

I would like to take just a moment to share with you some of the concerns of the association regarding reauthorization legislation, because I know that is the primary subject of the day.

We are confident that you share the conviction with us that we must avoid the type of experience that we have had this year, where we have not been able to work, other than from month to month, in programming.

On April 9, 1984, when I appeared before this committee, I presented to the committee a statement of concerns that the association prepared at that time concerning reauthorization. We feel that statement of concerns is as relevant today as it was the day that we prepared it, and I commend it to you.

There is only one, the seventh recommendation, that was dated, and that dealt with supplemental funds for fiscal 1984, but the rest of them we believe the committee could reconsider, and they would have relevance for today's discussion.

I will not reiterate all of those, because of the brevity of time, but I would like to particularly point out four of them, and make just a brief comment on each.

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[1] See p. 64 for the prepared statement of Mr. Blount.

We believe that the WIC Program should be given permanent authorization. We think that the disruption of sound program planning again has proven this during the past year. We think the program has proven its merits, as you have already recognized.

Second, we believe there should be no targeting of program benefits beyond the new Federal regulations issued February 13, 1985.

The association has continually supported a priority system in targeting program benefits. We believe that the regulations, as they have been redefined and revised in the current form, address the needs of the highest risk, and it also provides the State agency the jurisdiction to set income, or other subpriority levels, within any of the seven stated priorities.

Inasmuch as the States already have the authority to clearly define them, even in more restricted ways if necessary due to funding, there is no further need of targeting program benefits in the reauthorization legislation, in the opinion of the association.

Third, the fiscal year 1986 appropriation should be sufficient to allow a 10- to 15-percent increase in WIC caseloads. We recognize this is the most controversial part of our recommendations. Yet, we also have affirmed with you that a sound investment of Federal funds can be made in the WIC Program, that eventually saves billions of dollars in health expenditures, as you yourself have indicated, through preventive intervention., We believe as State agency directors, that we would be irresponsible if we failed to emphasize the great need for expansion of the program in an orderly, reasonable manner during the next few years.

I would like to clarify my own concept of an orderly, reasonable growth. Maybe surprisingly to some, but I personally do not advocate that WIC become a true entitlement program in the immediate future. It is not because I do not feel that entitlement based on need is justified when we recognize that we serve only about one out of three who are potentially eligible, rather it is because of my own conviction that WIC at its best is a sound adjunct to our total health care system. Therefore, to maintain the quality program we desire we cannot too quickly exceed the capacity of the health care system to deliver the quality of benefits which we believe the clients deserve.

May I also suggest that the inadequacy of the delivery system should not be a permanent limit to WIC's growth. We believe both the health care system and WIC should be expanded to provide the protection of our citizens.

Senator Dole. If you can wrap it up.

Mr. Blount. I will wrap it up with the last point, if I might.

The last thing I would recommend is that authorization for yearend funding flexibility, not exceeding 3 percent, be granted to permit the most effective management utilization of funds. We do this not wanting to reward or punish any State, but simply to provide that benefit for yearend management when there are so many uncontrollable variables.

Our feeling is that a State that goes slightly over should be able to take that out of their next year's grant, and reduce the next year's grant. That would prevent any reward, or any creeping expansion. A State that underspent would not be penalized if they stayed within the margin, but neither would they be able to accumulate that money. This would be used for redistribution.

We appreciate the opportunity to express ourselves, and hope you consider these concerns in reauthorization.

Senator DOLE. Dr. Mauer.

STATEMENT OF DR. ALVIN MAUER, CHAIRMAN, COMMITTEE ON NUTRITION, AMERICAN ACADEMY OF PEDIATRICS, PROFESSOR OF MEDICINE AND PEDIATRICS, UNIVERSITY OF TENNESSEE CENTER FOR HEALTH SCIENCES, MEMPHIS, TN

Dr. MAUER. Thank you, Mr. Chairman.

I am Dr. Alvin Mauer, chairman of the Committee on Nutrition of the American Academy of Pediatrics. I am also a professor of medicine and pediatrics at the University of Tennessee, Center for Health Sciences, in Memphis.[1]

And we, as the Academy members, are pleased to be here to comment on the Supplemental Feeding Program for Women, Infants, and Children.

I agree with Mr. Blount that in the minds of some of us the effectiveness of the WIC Program has been proven, but there are others who, quite appropriately, question the effectiveness. I would like to spend just a very brief time reviewing some of the most recent evidences that this WIC Program has, indeed, been effective for children, infants, and women.

Certainly the Congressional Budget Office itself has provided testimony that the WIC Program has been effective in reducing the incidence of low birth weight among infants, which is a major determinant of infant mortality in the United States.

In January of this year a study by Virginia Miller and her coworkers from Minneapolis, published in Pediatrics, evaluated the effect of the WIC Program on the iron status of infants. The results clearly indicate that participation in the WIC Program does help limit the development of iron depletion or iron deficiency anemia in young children, which is an important consideration in view of the data which show that iron deficiency is detrimental to a child's intellectual development.

Recently again, Howard Pearson and Windom from New Haven, reported their observations on the beneficial impact that participation in the WIC Program had on hemoglobin status of inner city, preschool aged children.

Just this month a report by Paul Zee, someone I know very well, because he is from Saint Jude's Hospital, reported in the Journal of the American Medical Association a study comparing the nutritional status of children in the inner city of Memphis, from 1977 to 1983. I think of particular importance was that the median family income in poor neighborhoods went from $3,800 to $1,800 but nutritional status improved. Not completely. There are still some problems. But it improved because of the participation of these people in the Commodity Supplemental Food Program, which is similar, to WIC, and also the Food Stamp Program.

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[1] See p. 67 for the prepared statement of Dr. Mauer.

So that even in the face of worsening economic conditions, these supplemental food programs have been effective in reducing the risk of nutritional deficiencies.

Poverty is certainly one of the biggest risk factors, and recently the study by the Congressional Research Service, "Children in Poverty," indicated that the children have now replaced the elderly as the poorest age group in this country. The incidence of poverty among children has increased more than 50 percent from 1973 to 1983, reaching the highest level since the mid-1960's. It is unthinkable to return to the degree of undernutrition that was present during the 1960's which was the original basis for the WIC Program's development.

This recent evidence indicates that the WIC Program is effective in preventing nutritional problems, even in the face of worsening economic situations. Recognizing that poverty is one of the real risk factors, and among children it is increasing, we would like to focus on one recommendation.

The WIC Program is effective, and you could surely use the old adage, "if it ain't broke, don't fix it." That really does not apply here, because in our mind the fix needed in this case is additional money. With limited dollars, there is no question priorities must be made, and these are hard choices, but as we look at the future, we feel that the WIC Program must grow.

The Congressional Budget Office has estimated that the current program serves only about one-third of all income-eligible women, only one-half of income-eligible infants, and one-fifth of income-eligible children. While data are not specific as to the proportion that meets the nutritional risk criterion, we know this population certainly does exist, and currently is not served. We know the impact of inadequate nutrition, and I would certainly agree with Mr. Blount, that not only must this program be reauthorized, but plans must be made for its steady and appropriate growth.

Thank you very much, Senator.

Senator **Dole**. Thank you very much.

Dr. Rush.

STATEMENT OF DR. DAVID RUSH, PRINCIPAL INVESTIGATOR, NATIONAL WIC EVALUATION, PROFESSOR OF PEDIATRICS, OBSTETRICS, AND GYNECOLOGY, ALBERT EINSTEIN COLLEGE OF MEDICINE, NEW YORK, NY

Dr. **Rush**. My name is David Rush, and since October 1981 I have been the principal investigator of the national evaluation of the WIC Program. A final draft report of the evaluation was submitted to the Food and Nutrition Service [FNS] of the Department of Agriculture on December 8, 1984, and resubmitted in March 1985, incorporating some of their suggestions and comments.

Today, I shall present an amended version of the executive summary of the soon to be released evaluation.

The major findings of the evaluation are:

Among infants, WIC increases consumption of iron enriched formula; this formula appears to replace cows' milk. Thus infant WIC participants have increased iron intake, but eat less protein, calcium, phosphorus, and magnesium, all of which appear in lower concentrations in formula than in cows' milk. However, the level of intake of these nutrients is not below the recommended daily allowances of the National Research Council/National Academy of Sciences.

WIC lengthens the duration of gestation, and WIC probably increases the infant's birth weight, although the evidence for increased birthweight from the evaluation was mixed. WIC benefits are associated with reduced rate of late fetal death. This is the first secure evidence that nutritional programs can lower stillborn rates. The evidence that WIC benefits to the mother reduced the death rate among newborns was inconclusive. WIC benefits during pregnancy increase the head size of newborns, an unexpected but almost certainly beneficial effect.

WIC improves the pregnant woman's weight gain and use of prenatal care. It does not reduce her smoking or alcohol intake, nor increase the likelihood of breast feeding.

WIC probably does not affect the height or weight of children, but the research could not observe growth over time, and so cannot support strong conclusions one way or the other. Children who enter WIC early in life are shorter than control children, probably reflecting appropriate targeting of the program to high-risk children

WIC is associated with greater likelihood of children having a regular provider of medical care and being properly vaccinated. There is some evidence of better cognitive function in 4- or 5-year-old children whose mothers received WIC benefits when they were in utero.

In my opinion the study gave contradictory results on whether WIC benefits to pregnant women increased the family's food, and especially grocery, expenditures.

In contrast, WIC benefits to infants and children, were clearly associated with significant and major increases in food and particularly grocery, expenditures. Food was being bought that would not have come into the household without WIC.

In conclusion, I will stress several issues that seem to me of particular urgency.

There is strong evidence that the health education associated with the WIC Program is not as effective as it should be. WIC enrollment by pregnant women was not associated either with decreased use of alcohol or tobacco, or with the increased likelihood of breast feeding.

Past research and internal evidence from this study, including increased infant head circumference, suggests the possibility of important psychological benefits for the child associated with WIC enrollment by the mother during pregnancy.

It is therefore urgent that FNS reactivate its plans to follow up infants born in this study. Unless this is done immediately, it may become administratively and technically impossible. The children will be difficult to find, and perhaps too old to evaluate properly. This would be a tragedy, since we may never again have the opportunity to properly address this key issue.

This study presents strong evidence that as many children at highest risk are lost from the WIC Program as are retained in it. There should therefore be regular followups of past recipients in order to retain or reactivate those at highest risk. My intuition tells me that there are also large numbers of eligible recipients who were never enrolled in the program in the first place. For maximal benefit to recipients the program should, in my opinion, be restructed as an entitlement program for those at highest risk, without necessarily increasing the total number of recipients.

The content of, and strategies for, future research deserve forethought. Among the important issues which remain to be addressed are the effect of WIC benefits on the frequency of iron deficiency anemia—which Dr. Mauer just discussed—and the impact of decreased anemia on child development, particularly psychological development.

The last point is that careful thought should go into the process by which research issues are chosen and projects solicited. While the oversight of ongoing research seems to be functioning quite well. I think that expert, diverse skills outside the Department of Agriculture should be integrated into the process of deciding what research needs to be done, and how best to do it. Local and State WIC agencies should be collecting, using, and supplying key health data to FNS, which they do not now do, as part of their regular operation, so that simple but important questions can be answered without the need for massive, infrequent, and expensive efforts such as this national evaluation.

Thank you.

Senator DOLE. We will have some questions.

I want to hear from Dr. Paige first.

STATEMENT OF DR. DAVID PAIGE, PROFESSOR OF MATERNAL AND CHILD HEALTH, JOHNS HOPKINS UNIVERSITY, BALTIMORE, MD

Dr. PAIGE. Senator Dole, thank you for the opportunity of appearing this morning.

I am David M. Paige, professor of maternal and child health at the Johns Hopkins University School of Hygiene and Public Health. I will try to summarize my comments.[1]

I point out that the targeting of food assistance programs today is as important as when we started the WIC Program in 1972.

Differential patterns continue to exist in the outcome of pregnancies between high and low socioeconomic groups. Approximately 7 percent of all U.S. births are low birth weight, with the incidence of low birth weight in black infants particularly high at 12.4 percent, and in white infants at 5.6 percent.

In addition, almost 17 percent of black infants are premature, born before 37 weeks of gestation, and the incidence of prematurity is more than twice as likely to occur to a mother who is young, poorly educated, with a short pregnancy interval, and not effectively utilizing prenatal services.

In the absence of prenatal care, the percentage of premature infants born to black women climbs to 31.2 percent, and for white women the figure is 22 percent.

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[1] See p. 69 for the prepared statement of Dr. Paige.

In 1982, 248,000 low birth weight infants were born in the United States. In that same year, over 28,000 infants less than 28 days of age died. The majority of these deaths, as well as those neonates requiring extended hospitalization, resulted from low birth weight as a consequence of poor fetal growth.

Those who have argued that these adverse outcomes are not responsive to nutrition and health intervention strategies because they represent genetic and/or racial factors, rather than environmental and social causes, are mistaken.

In fact, the median weight of black infants born before 36 weeks of gestation is about 60 grams more than that of white infants.

Nevertheless, the pattern reverses itself in the final month of pregnancy. At term black infants weigh an average of 200 grams less than white infants. It appears that fetal growth falters in late pregnancy despite intial parity or slight advantage. Growth faltering occurs at a time when fetal growth is at a maximum. Caloric demand in the last month is greatest, fat stores are increasing rapidly in the fetus, and full maternal energy and nutrient reserves are required to meet these surging demands. The same pattern is seen in low birth weight white infants.

As a result, it has been hypothesized that social disadvantage may be the critical factor explaining weight differences at birth.

Clearly prematurity and low birth weight are major health problems during pregnancy, and the central question is, Does the WIC Program make a difference? The GAO report in 1984 indicates a number of scientifically credible studies demonstrating the effect of the WIC Program in lowering the percentage of low birth weight infants and increasing mean birth weight. Associated with these findings is evidence that maternal nutrition during the course of the pregnancy is improved.

Specifically, the GAO report concludes, and this is important, that the percentage of WIC mothers with low birth weight infants was 7.9 percent compared to 9.5 percent in non-WIC mothers. This decrease of approximately 1.7 percent will result in a 20-percent decrease in the projected number of low birth weight infants. The projected reduction will result in 49,620 fewer low birth weight infants being born, approximately 5,000 fewer neonatal deaths, and an estimated savings of $900 million or more in extended hospital care costs for a majority of the survivors. This figure is based on the 1985 Institute of Medicine report citing an average approximate hospital cost of $20,000 for a low birth weight infant in Michigan, where the study was done, and as much as $62,000 on an average for low birth weight infants born at less than 35 weeks gestation.

In addition, the GAO report indicates there is a significant increase in mean birth weight in the women who are on WIC. Further, these benefits appear to be differentially associated with the highest risk women. In fact, those women who are teenagers, those of minorities, those who are least educated, those with the shortest pregancy intervals show the greatest effect.

The major effect of the WIC Program for pregnant women is an increase in birth weight, decrease in low birth weight, and an increase in gestational age and lower fetal mortality.

I would like to address infant and child areas within the WIC Program. Various measures have been used to determine the outcome of the WIC Supplemental Feeding Program on children. These include anthropometric measurements, iron status studies and growth monitoring. Studies of the iron status of children concentrate on anemia and hemoglobin levels.

At least four studies have shown increased hemoglobin and decreased anemia in children of mothers participating in WIC. Previously studies of iron deficiency in the absence of anemia have not been reported.

A recent study, however, indicates that not only is there a decrease in the proportion of children with anemia, but there was a decrease in the level of iron depletion, which is particularly important in the younger aged children.

Moreover, in addition to the medical benefit realized, the cognitive development of the young child may also be enhanced as a result of improved iron status.

This is of particular importance inasmuch as iron is the single nutrient known to be consistently deficient in the diet of WIC-eligible populations. The results of the National Health and Nutrition Examination Survey, and other studies, and CDC data continues to support that.

Further, with respect to growth, the effect of the WIC Program on the growth of children continues to be debated. One study by Heimendinger and colleagues indicates that children on WIC between 6 and 18 months of age are growing at greater than expected rates. The most persistent program effects are seen at 6 months of age, after the children have been on the program an average of 4 months.

The Johns Hopkins' evaluation did not demonstrate significant differences in anthropometric measures between WIC and non-WIC infants. Despite the absence of significant differences in growth, the program did have a positive impact. The benefits included direct patient education, utilization of nutrition and health care services, outreach and identification of the population potentially at risk, and the provision of additional social services as reflected in increased use of food stamps and other community services.

It is also important to point out that the energy and nutrient supplementation not accounted for in growth may be producing unmeasured responses in infants and children in the form of increased physical activity and play.

It is well documented that the caloric requirements for activity increase rapidly through the first year while the caloric requirement for growth decreases in a reciprocal manner. Thus, enhanced activity may equal or exceed the value placed on growth as a measure. In fact, Hicks and colleagues report that a WIC supplemented group during the perinatal period showed significant enhancement of most intellectual and behavioral measures when subsequently studied at home and in school.

In summary, it is fair to conclude that the WIC effect on pregnant women results in an increase in birth weight, and a reduction in low birth weight numbers. High risk women, minorities, adolescents and the uneducated benefit most, as do women with low prepartum weight and poor weight gain during pregnancy.

The WIC Program, as a complement to health care, results in not only increased food, but increased prenatal care, maternal education, early detection of medical complications and patient support. The combined program simultaneously attacks major reasons for low birth weight and prematurity. It can result in a reduction of almost 50,000 low birth weight infants per year, approximately 5,000 deaths, and savings in hospital expenses which almost equals the entire cost of the WIC Program.

In infants and children the WIC Program provides a nutritional head start. It reduces the incidence of anemia, supports growth and provides the calorie and nutrient reserve for enhanced activity.

We would argue that the WIC Program, on the basis of its demonstrated need, as well as its accomplishments, demands reauthorization at a high level of support, capable of reaching all high-risk women, infants, and children.

Thank you very much, Senator.

Senator **Dole**. Thank you very much.

Mr. Blount, I think you have addressed my question, the question I will ask here in a moment about authorization for end of year funding flexibility, pages 3 and 4 of your statement.

I think, just as a matter of background, under the WIC funding formula, States are allocated their portion of the entire WIC apportionment at the beginning of the year, and the USDA checks to see if they are using it. If they do not use their entire allocation, it is revoked and redistributed, reallocated to other States. There are some who feel this system tends to reward States that are aggressively spending their allocation, while penalizing other States that are more fiscally cautious, and there is a table showing some 40 States apparently forfeited some of the 1983 and 1984 allocations, and I will ask that that table be made a part of the record.

[The following table was received for the record:]

UNSPENT WIC FUNDS

State agency	Fiscal year 1983				Fiscal year 1984			
	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1983 percent unspent	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1984 percent unspent
Connecticut	542,863	188,344	731,207	3.66	444,286	153,084	597,370	2.64
Maine	176,935	63,895	245,830	3.83	448,168	56,333	504,501	6.66
Massachusetts	700,814	190,869	891,683	4.43	0	0	0	0
New Hampshire	142,992	56,663	199,655	3.79	145,174	10,819	155,993	2.60
New York	2,530,392	1,588,774	4,119,166	4.02	0	0	0	0
Rhode Island	46,973	0	46,973	0.80	41,630	79	41,709	0.62
Vermont	0	0	0	0	0	0	0	0
Indian Twns	7,839	0	7,839	12.44	0	0	0	0
P. Point	8,073	3,443	11,156	15.99	701	949	1,650	2.50
Penobscot	4,970	0	4,970	14.68	4,173	0	4,173	12.46
Semoca Nati	3,497	0	3,497	1.62	0	0	0	0
Subtotal	4,165,348	2,096,988	6,262,336	3.74	1,084,132	221,264	1,305,396	0.66
Delaware	187,465	0	187,465	7.79	33,433	17,270	50,703	1.68
Maryland	631,173	11,406	642,579	3.60	0	0	0	0
New Jersey	1,540,504	361,696	1,902,200	7.91	590,753	551,816	1,142,569	3.89
Pennsylvania	2,322,253	322,908	2,645,161	6.09	924,583	482,279	1,406,862	2.68
Puerto Rico	89,909	40,274	130,183	0.39	0	497,584	497,584	0.96

UNSPENT WIC FUNDS—Continued

State agency	Fiscal year 1983				Fiscal year 1984			
	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1983 percent unspent	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1984 percent unspent
Virginia	975,385	0	975,385	3.88	978,376	0	978,376	3.65
Virgin Islands	156,351	127,178	283,529	8.33	39,767	0	39,767	1.06
West Virginia	248,532	9,883	258,415	2.24	95,082	20,273	115,355	0.95
District of Columbia	0	0	0	0	0	20,145	20,145	0.39
Subtotal	6,151,572	873,345	7,024,917	4.25	2,661,994	1,589,367	4,251,361	2.08
Alabama	1,351,213	429,433	1,780,646	7.36	0	74,962	74,962	0.25
Florida	1,666,686	476,344	2,143,030	5.91	1,484,734	329,060	1,813,794	4.37
Georgia	536,168	4,521	540,689	1.45	1,010,973	146,316	1,157,289	2.35
Kentucky	939,112	269,441	1,208,553	4.52	575,737	69,168	644,905	2.08
Mississippi	834,204	435,685	1,269,889	4.63	0	5	5	0
North Carolina	3,205,202	1,038,842	4,244,044	10.61	1,923,535	461,031	2,384,566	5.43
South Carolina	799,557	298,160	1,097,717	3.85	1,042,660	112,487	1,155,147	3.51
Tennessee	1,671,193	238,294	1,909,487	6.70	544,641	32,321	576,962	1.90
Seminoles	33,199	1,732	34,931	36.47	52,511	4,303	56,814	39.63
Miccosukee	7,134	1,397	8,531	21.15	2,296	997	3,293	9.43
Choctaw, MS	63,336	3,084	56,420	16.86	14,622	7,960	22,582	7.16
E. Cherokee	32,788	1,660	34,448	8.27	38,235	0	38.235	8.91
Subtotal	11,129,792	3,198,593	14,328,385	5.74	6,689,944	1,238,610	7,928,554	2.73
Illinois	2,217,799	341,377	2,559,176	5.66	508,673	0	508,673	0.94
Indiana	1,131,983	3,154	1,135,137	6.15	1,011,603	190,708	1,202,311	5.23
Michigan	1,031,496	34,092	1,065,588	2.77	0	0	0	0
Minnesota	888,974	250,174	1,139,148	5.79	315,937	229,784	545,721	2.37
Ohio	2,789,036	1,262,690	4,051,726	8.44	50,637	1,027,305	1,077,942	1.66
Wisconsin	1,313,601	124,834	1,438,435	6.33	0	0	0	0.00
Subtotal	9,372,889	2,016,321	11,389,210	5.91	1,886,350	1,447,797	3,334,647	1.37
Arkansas	408,524	0	408,524	3.31	105,529	0	105,529	0.65
Louisiana	799,516	1,287,042	2,085,558	5.22	0	188,050	188,050	0.42
New Mexico	81,172	0	81,172	1.23	0	1,939	1,939	0.02
Oklahoma	143,516	0	143,516	0.84	218,971	0	218,971	1.22
Texas	623,741	0	623,741	0.97	0	93,381	93.381	0.11
Acoma	0	1,012	1,012	5.79	N/O	N/O	N/O	N/O
Aci	19,951	18,231	38,182	16.56	17,967	0	17.967	7.47
Bn Pueblo	31,574	5,628	37,202	14.66	23,954	0	23,954	9.09
Isleta	6,221	0	6,221	2.77	4,771	0	4,771	1.94
Santo Domin	10,242	0	10,242	5.49	0	20	20	0.01
S Sandoval	28,852	0	28,852	10.12	3,444	0	3,444	1.37
San Felipe	4,093	0	4,098	3.06	0	2,892	2,892	1.83
Wcd	46,742	13,497	60,239	7.52	17,429	0	17,429	2.30
Choctaw, OK	0	5	5	0	0	2,575	2,575	0.27
Cherokee, OK	151,297	22,260	173,557	8.56	14,935	0	14,935	0.71
Chickasaw	53,246	0	53,246	10.94	9,016	885	9,901	1.84
Tunkawa	24,986	0	24,986	10.33	12,514	0	12,514	4.45
Potawatomi	11,833	0	11,833	2.70	17,635	1	17,636	3.13
Zuni	1,184	52	1,236	0.64	1,490	0	1,490	0.60
Subtotal	2,445,695	1,347,727	3,793,422	2.59	447,655	289,743	737.398	0.41
Colorado	427,234	61,797	489,031	4.23	336,825	67,641	404,466	2.99
Iowa	742,777	135,733	878,510	7.16	390,622	148,014	538,636	4.20
Kansas	469,275	76,431	545,706	6.35	572,128	274,857	846,985	8.21
Missouri	932,169	81,980	1,014,149	4.06	0	0	0	0
Montana	180,407	14,834	195,241	3.95	86,729	34,753	121,482	2.23
Nebraska	349,007	110,191	459,198	7.87	363,918	53,808	417,726	5.95
North Dakota	47,878	0	47,878	1.06	61,789	63,155	124,944	2.51
South Dakota	72,000	0	72,000	1.85	32,789	180,929	213,718	4.80

UNSPENT WIC FUNDS—Continued

State agency	Fiscal year 1983				Fiscal year 1984			
	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1983 percent unspent	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1984 percent unspent
Utah	163,706	99,256	262,962	3.27	189,396	162,962	352,358	3.24
Shus/Ara	0	0	0	0	2,061	8,548	10,609	2.84
Ute Mountain	2,227	0	2,227	4.39	0	0	0	0
Minnebago	79,498	65	79,563	23.70	0	0	0	0
Cheyenne Rv	9,943	7,732	17,675	4.78	15,147	11,314	26,461	6.48
Rosebud	17,080	0	17,080	2.37	4,096	5,814	9,910	1.42
Stand Rock	0	0	0	0	0	0	0	0
Ft. Berthold	19,527	808	20,335	8.52	0	4,016	4,016	1.61
Wyoming	184,245	20,767	205,012	7.17	132,343	7,615	139,958	4.40
Subtotal	3,696,973	609,594	4,306,567	4.79	2,187,843	1,023,426	3,211,269	3.11
Alaska	14,299	46,112	60,411	3.13	0	49,862	49,862	1.82
Arizona	197,923	190,748	388,671	3.32	234,609	117,831	352,440	2.57
California	2,854,877	2,067,560	4,922,437	4.88	3,419,418	1,358,285	4,777,703	4.10
Hawaii	42,084	0	42,084	1.42	98,439	114,921	213,360	5.30
Idaho	138,625	10,948	149,573	2.64	293,549	21,418	314,967	4.77
Nevada	234,759	33,973	268,732	5.42	120,188	25,778	145,966	2.74
Oregon	156,548	33,172	189,720	1.45	0	185,421	185,421	1.25
Washington	692,182	202,631	894,813	6.04	0	0	0	0
([1])	12,764	13,536	26,300	5.06	10,880	128	11,008	1.94
([1])	41,251	9,161	50,412	18.05	0	0	0	0
Navajo National	302,505	7,600	310,105	3.63	251,077	101,478	352,556	3.64
Guam	331,716	22,128	353,844	60.08	0	9,221	9,221	0.74
Subtotal	5,019,533	2,637,569	7,657,102	4.61	4,428,160	1,984,343	6,412,503	3.33
National	1,981,802	12,780,137	54,761,939	4.65	19,386,578	7,794,550	27,181,128	1.92

[1] Note.—Includes Indian tribes which serve as State agencies.

Source: U.S. Department of Agriculture.

Senator Dole. Based on that, I was not quite certain of your answer. There has been some discussion by Senator Helms, particularly, the chairman of the committee, and GAO, that dramatic fluctuations in the WIC caseloads would be better managed by permitting States to carry over a certain percentage of their funding allocations to the subsequent fiscal year.

I am not certain what your position is. I read it, but I am still not quite sure what it is.

Mr. Blount. I appreciate the question, because this is often a misunderstood position. Our concern, as State directors, is that the money appropriated by Congress be spent within the fiscal year, in order to maximize the benefits of the program to the people.

Certainly this is true when we know that we are underserving, as has been testified here. We are only serving about one out of three. We feel that if a State is not able to use all of their money in the year in which it is allocated to them, there ought to be a margin in which they would not be penalized; that they would not have the next year's grant reduced by underspending.

However, at the same time, we feel that money ought not just remain unused, or remain in that particular State that has not demonstrated it could use it. We think it is better to recycle that money, if I may use the phrase, so it can be used to help the other

States that still have a large unmet need, and have demonstrated it.

One of the ways that you even out the peaks and valleys between the States, which the association agrees with, and which the USDA is now using, is the stability grant level and the equity level. So what would happen in the reallocation or the recycle of that money, it basically would go back to a State that has not yet reached the equity level, so that would give that State a chance also to up its participation, so that we would begin to get stability across the country.

The reason why we feel that it is important that a State which is slightly overspending be permitted to take the amount out of the next year's grant, is because there generally at the State level, there is no other general revenue money authorized to take care of even the slightest overspending. But we are concerned that a State not receive a reward. To simply give them the money, as the Senator has asked and let it go up would, I think reward a State which had not previously met its need.

Senator DOLE. This position is held by all the State directors?

Mr. BLOUNT. We ran this through the State association, in our conference last week, and this was by far the majority opinion of all the State directors. In the discussion of it we had no real dissenting view on it expressed. We think the simple system of no reward, no penalty within a 3-percent margin would stabilize, and at the same time permit more effective program management.

Senator DOLE. The thing we are concerned about is that it might be a license just to overspend. If that is what they are looking for, we are not interested in that.

Mr. BLOUNT. We are not either, Senator. In fact, I am glad you made that point. That is why we feel that instead of giving it to a State without penalty, that if a State does overspend, they must take that money out of their next year's grant. It is not a license to spend. They are actually penalized by reducing the following fiscal year grant.

As State directors, we feel that this ought not to be a license for overspending. It ought not to be a license for lax management. It is simply as we see it an effective management tool within given parameters.

Senator DOLE. As I understand your statement, too, pregnant women and infants are the most important. Why do you oppose further targeting of these priority categories? Especially why not target, if you suggest increased funding?

Mr. BLOUNT. We feel that the highest risk——

Senator DOLE. I might ask the other members of the panel, also, if you get into targeting, do you think we ought to go for the most important groups?

I think the bottom line is, I guess, is there any way we can take the limited money we have now and spend it more effectively?

Mr. BLOUNT. Senator, again I personally, and I think the majority of the State directors, very much support the priority system. The only thing we are saying is we do not believe that it is necessary to write any more of that type of administrative detail into the law itself.

Within the Federal regulations as revised, that I referred to, there are now seven priorities possible. Within those seven priorities the regulations give the State the authority to further subgroup; so that as a State looks at its own funding allocation and its own demand upon the program the State has the jurisdiction now to continually step that down, so that you get closer and closer to the high risk.

May I refer to my own State, for instance? We are one of the States that is having an increase in demand for the growth of the program. We have not been able to serve since last August any priority sixes, which are the postpartum women. Also, we discontinued service last August to the 3- and 4-year-olds because of inadequate diet.

If necessary, in the State, we could continue to draw our own limits within the regulations, and what I think all of the States are doing is something comparable to that.

So what I am simply suggesting is that the authority is already there. The States using good management are already doing what is intended.

Senator DOLE. Does anybody else want to comment on this?

Dr. PAIGE. I would caution about eliminating infants and children, in trying to specifically target pregnant women. This is attractive because some of the negative outcomes during pregnancy would suggest targeting. Nevertheless, there are a variety of preventive considerations which are operating within the program, particularly in the infant who has during the first several months a fairly good opportunity at nutrition from the mother. That infant will begin to show some of the problems toward the end of the first year, if not adequately supported in the early part of the year, through the first year.

So that one can actually fall into a trap in terms of eliminating that particular population. We know in developing countries, as well, during the first several months, infants do fairly good, even within a harsh environment circumstance, and then begin to show major problems which result from inadequate social support systems and nutrition toward the end of the first year.

So it may be seductive, but I do not think it would be cost effective.

Dr. RUSH. We reviewed in detail all WIC research efforts available through the summer of 1984. From this review, there emerged a key limiting issue in this body of research, and that is the distinction between uncertainty whether there are effects of the WIC Program in childhood and a conclusion that there were no such effects. The effects of the WIC Program in early childhood are not well measured, and the time available for field study in our evaluation was too short to supply secure answers.

On the other hand, changes in pregnancy take place quickly. This is reflected by the many more studies WIC effects during pregnancy, then childhood. Results are therefore more secure. There is thus great need for further careful work in childhood, most urgently to follow up the cohort of children born in the National WIC Evaluation, before it is possible to formulate an informed policy on targeting benefits by age.

My opinion is that targeting by severity of risk is rational. I believe that there are many needy unserved mothers and children.

Senator DOLE. You were talking between 1 and 5 years of age?

Dr. RUSH. Yes; I am talking about children currently being served, up to age 5.

We have very strong evidence that children who were once in contact with the program, but have been lost—we had a sampling scheme which allowed us to assess such children—were as likely to be in need as those currently being served.

In other words, the program appears to have too little emphasis on continuity and followup. If the child and mother do not reappear for vouchers there is no regular requirement to find them. These are likely to be people who need benefits the most.

We need further understanding both of what the benefits in childhood are and which children would be most responsive. Benefits would be real and substantial, but that is not possible to say at this time.

Dr. MAUER. I would certainly like to reinforce what has been said. In the first place, I think we have got to identify the fact that we are talking about priority, not a lack of need, because quite clearly there is a need among the 1- to 5-year age group.

I think it is also worth while mentioning that not only have more studies been done in pregnant women, but more studies have also been done in infants. We have, a paucity of information on the effect of the WIC Program from 1 to 5.

I would also agree that it is more difficult to make this assessment, because you do not have the dramatic quantitative changes, such as iron deficiency, for making this kind of assessment. But as you heard, as the energy requirements for growth decrease, the energy requirements for activity increase, and that is exactly what is happening during the 1 to 5 age group.

I would also caution against making a decision to drop the 1 to 5, or 3 to 5, without more information. That still is a critical period, and must maintain a priority among our system of thinking about children.

Senator DOLE. Mr. Blount, GAO has indicated more stringent income eligibility procedures are needed to improve the WIC Program administration. Why don't the States follow verification procedures, such as requiring Social Security numbers for verifying information supplied with regard to income?

GAO indicates that States that do have documentation did not consider obtaining such information to be unduly burdensome. One reason we cannot cover more people is probably because we are not tightening up enough on the program.

Mr. BLOUNT. Senator, we share the concern regarding income eligibility. Our State, and many of the other States, have looked at this. We have, in Missouri, even set our income at 175 percent of poverty, instead of 185. We, in doing that, also looked at our experience with local agencies, and we feel that the data shows that the great majority of people that are in the program have income much less than that. I think the evidence is already that we are serving the poorest of the poor.

The reason why I would take issue with GAO is that it would be a burden to do this. I think sometimes we lose sight of the fact that this is a preventive health program. It is done in the public health arena, basically. We gather different type data on income than what the social case worker type would gather in a family service welfare program. Health programs normally do not use the same income standards, or do not collect Social Security numbers.

The difficulty of a new mother coming up with a Social Security number after the first few days of birth would be a hardship on many mothers, that would make it difficult, if not impossible in some cases, to get the vast enrollment of the newborn, which is so important to the program.

The evidence that we have through our own study is that the cost effectiveness would be negative, because you would increase your administrative costs to gather that type data, and it would overburden the public health offices, where the program normally is providing benefits. You would be taking professional health providers, nurses, and others, and in fact duplicating case work effort that would be done by social workers in the family service offices.

We think that it is cost ineffective, and we also do not feel it is necessary to assure that the low income are in the program.

Senator DOLE. Doctor Mauer, GAO has consistently recommended that there be greater uniformity in the nutritional risk criteria that the States use to determine WIC eligibility. Specifically, they recommend that the USDA work with the American Academy of Pediatrics, the American College of Obstetricians and Gynecologists, to formulate uniform standards.

Do you think this is a good idea, and would your organization be willing to participate in the development of more uniform standards?

I would say the GAO observed, as you may know, many different definitions among the States concerning anemia, chronic infections, and what should be designated for teenage pregnancy. They observed, under such variations, that program eligibility becomes more a condition of geographic residency than the actual health status, resulting in inequitable treatment of applicants, from State to State.

As I have indicated, GAO suggested there ought to be some uniform standards.

Dr. MAUER. Certainly I think the academy would be very pleased to participate, but let me point out some of the problems.

In the first place, I would like to emphasize once again that the WIC Program, in our mind, is not a remedial program. We are not treating undernutrition, or iron deficiency. We are preventing it. Obviously, the child who is most urgently in need of the program is the one who already has anemia, but we feel that the point of the program is to prevent that from happening in the first place.

In terms of nutritional risk how do you identify someone who is likely to become anemic, if the WIC Program is not available, or likely to have growth problems?

In the first place, I think this is going to vary from community to community. It is going to vary within ethnic groups. I think that it would be difficult to set uniform standards to identify groups at high risk from becoming nutritionally deficient, without taking into account community variability.

I think that if one focuses on the real risk factor, which is sort of an across-the-board risk factor, it is a matter of poverty. That would be sort of a uniform standard and that is one we already have.

I think to develop other standards, which would try to smooth out differences, might, in fact, end up being unmanageable, because it would not be capable of taking into account differences among people because of ethnic differences, community differences, and so forth.

Senator DOLE. Doctor Rush, did you indicate that your information would be available in the next 2 weeks?

Dr. RUSH. My written comments will be complete in a few days. However, I have been requested to not have them published until the Department of Agriculture has released the report of the evaluation.

Senator DOLE. Can you give us just a little background of how many cases were surveyed, and what it involved—a lot of your own personal attention, or staff? How do you do these evaluation studies?

Dr. RUSH. The report was a colloborative effort, but I wrote about three-quarters of the results and conclusions, while RTI staff were primarily responsible for the economic analyses. I spent most of the last 3 years on this work, and there were also many, many person-years of other professionals and some professional staff time involved.

For instance, in one substudy, we reviewed 12 million birth certificates, over 9 years, in 19 States and the District of Columbia. We followed some 5,000 births individually during pregnancy nationwide, a random sample of poor women. In addition, we did a cross-sectional study of 2,000 poor preschool children.

This is probably the most extensive, and most representative study of these issues that has been done in this country.

One fear about not following up the children born in the study is that since the survey was so extensive and laborious it is unlikely to be repeated. Therefore, the sample may be unique, and therefore very precious.

Returning to the prior question, whether social risk and/or social stress lead to nutritional risk, it is likely that any unidimensional criterion of risk is probably too rigid, and is going to exclude those in need, and inlude the less needy.

For instance, mothers and children in single parent families, or large families, are probably at greater risk than income alone might suggest. Thus, income alone may be an incomplete criterion for the threat of a nutritional problem.

Senator DOLE. You touched on program expansion in your statement. Did you make specific recommendations about expanding the program in your report?

Dr. RUSH. I cannot give an informed answer to that question, because we did not address it in our survey.

We did gather some evidence that the current program is probably missing lots of people at great need, and may well be also serving people who are only benefiting minimally. This is clearly a very worthwhile issue for further scrutiny.

There is no way, from this survey, that the optional size of the program can be estimated.

Senator DOLE. Would you suggest the priorities be rearranged?

Dr. RUSH. Yes, I would. The poorest families, those likely to have the sickest children, and those likely to have the least access to good health care would be my highest priority.

If the program is valuable, I do not understand the rationale for not being an entitlement program, with very clear criteria for entitlement. Access to this eligibility program depends on many factors beside need such as whether there is an alert and efficient local health department, which knows how to apply for and continue the program, and this is not necessarily related to whether people are in real need.

I, as a physician, and as a citizen, would like to see benefits go to those who need them most, as the ultimate criterion for any public expenditure, but this does not imply that the program should be larger.

Senator DOLE. Did you make any effort, in your study, to determine how to make the program more effective? There are some apparently who would not do much at all as far as following through on your results, no matter what the program is. How do you protect the children in that case?

Dr. RUSH. We have mixed evidence of the effect on health promoting behavior of parents and children. The immunization status of WIC children was better than of non-WIC children. This was not a nutritional benefit, but rather reflected better health care, an integral goal of the WIC Program.

On the other hand, smoking, and alcohol use are very much related to the nutritional status of the pregnant woman, and the WIC Program appears to have no effect on these habits.

We know very little about how to promote healthy behavior. Health education is talked about a great deal, but there are no easy strategies on how to make people act on their own behalf. Some people are recalcitrant, obviously. This does not mean things can't be changed, or that we shouldn't try to change them. It does mean that while we try our best, there must be ongoing research to inprove our efforts.

Much of the burden of ill health of the United States is clearly behavioral in origin: how we eat, how we act, what sort of exercise we get, what sort of foreign substances we expose our bodies to. These behaviors are only poorly understood, and which need a great deal more research.

While I agree that people do not always take optimal care of themselves, I do not think that is a reason for giving up our efforts to help.

Senator DOLE. I do not suggest that, but I read a piece yesterday in the New York Times Sunday Magazine about hunger in America—about people living in cars, sleeping in cars. I do not know the answer to this problem. It seems to me that we have a long way to go.

Dr. RUSH. I think there is a big difference between those at the fringe and very high risk, and possibly unreachable by our efforts, and the much larger group, not so close to the edge of society for whom these programs can make a real contribution.

Senator DOLE. Dr. Paige.

Dr. PAIGE. I would add, however, low income as a class puts the individuals in that class at risk, and therefore, in terms of entitlement, one has to begin to look at that class of individuals who are low income. It is extremely difficult to identify individuals within the class who will ultimately manifest the disease, or the problem we are looking at, and therefore, you have to cast with a slightly broader net than trying to specifically identify nutritional risk.

It is important to remember that the program itself is not therapeutic. It is not designed to be therapeutic. It is choleric and nutrient supplementation. It does not provide such amounts of the nutrients to ameliorate these problems and, therefore, in going after high risk populations one has to identify them on the basis of income, and by social characteristics.

The nutritional risk criteria prioritizing them can be woefully misleading, and we do currently in the United States. I would not be opposed at all to evening out the differential pattern of eligibility, but nonetheless we need to identify the classes who are at risk, and nutritional risk, as an overlay on income is somewhat misleading. It can be misleading. I would offer that observation.

Mr. BLOUNT. May I make this one follow up remark to Dr. Rush's comment on "heads up health departments," suggesting there is a great deal of difference between agencies in the whole matter of priority?

I think that we are in total agreement with what Dr. Rush has said about prioritizing. In fact, I am sure we are, from previous discussions and paper exchange.

The thing that we are suggesting, though, as State directors, is that this is already provided for, as I testified to, within current regulations. But one further thing that I would like to have in the record is that within a State the variance between health agencies is also controlled by the State, so an active health department cannot just go out and bring in all kinds of risks, and some of the other health departments be doing much less.

When we eliminate a priority due to fund limitations within the State, we do that universally across the State. So the State has the authority to further refine, prioritize, so it prevents that type of inequity between services within a geographical area within the State.

Senator DOLE. Thank you very much for coming this morning. We look forward to reviewing the record, the full testimony.

I understand GAO representatives are in the audience, and it may be that, at the end of the hearing, if they feel some compelling reason to rebut anything, we will permit them to do that. If not, they will get questions submitted in writing.

Thank you very much.

Our next panel consists of Professor Michael Lipsky, Department of Political Science, MIT; Father Richard Etzel, Saint Mary's Kitchen, Kansas City, KS, accompanied by Wilhemina Gill; and Virginia Smith, executive director of the Greater Philadelphia Food Bank.

Just all have a seat right here. I will ask you to confine your statements to 5 minutes, and, if you can summarize your testimony, we will have some time for questions.

Professor Lipsky.

Mr. **Lipsky**. Thank you, Senator.

Senator **Dole**. I have the statement. If you can summarize it, the entire statement will be made a part of the record.[1]

I do not know what political science has to do with nutrition, but maybe you can explain that to me.

STATEMENT OF MICHAEL LIPSKY, PROFESSOR, DEPARTMENT OF POLITICAL SCIENCE, MASSACHUSETTS INSTITUTE OF TECHNOLOGY, CAMBRIDGE, MA, ACCOMPANIED BY MARC A. THIBODEAU, RESEARCH ASSOCIATE

Mr. **Lipsky**. Senator, I have worked as a political scientist for some time, looking at issues affecting low-income people and the responsiveness of government to their needs, and in this connection, I undertook a study of the TEFAP program 2 years ago, because I was aware of several things.

One is that this was the signal response of the current administration to increasing and doing something different in the food and nutrition area. And I was also aware that the program was administered through a remarkable network of food banks, soup kitchens, community action agencies, and so on, which meant that it had particular interest in an era where we are more and more interested in utilizing the private and voluntary sector to provide for social concerns.

It was in this vein that I undertook the study. I am appearing today with my research associate, Marc Thibodeau, who can help me on some of these details, if you are interested.

Let me summarize then, because you do have the statement in front of you, to simply say that TEFAP has been very successful in extending supplementary food assistance, and I would stress supplementary. It is not a substitute for the Food Stamp Program, and other important nutrition programs. It has been very successful in reducing the heavy surpluses that were accumulating, particularly in dairy stocks.

I have figures in my statement that I think are reasonably up to date, concerning how much cheese and butter has been distributed, and how much inventories have been reduced because of the ability of the Government to dispose of these surpluses in constructive ways. These materials are on page three of my statement.

I might stress, and I do not think this has been given any significant attention elsewhere, that the net cost to the Government to process, package and distribute these products has been relatively low. We figure that only $143 million has been spent to distribute over $4 billion worth of food. We calculate a cost of approximately 9 cents per pound to get the cheese to the State. For butter the cost is about 1 cent a pound.

Moreover, the program seems cost effective from the Federal Government's point of view, in that it costs approximately only 3.7 cents for the States to get the product to the local distributing agencies, and we think this is a useful figure to bear in mind.

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[1] See p. 73 for the prepared statement of Mr. Lipsky.

The importance of TEFAP includes the fact that as a supplementary food assistance program, surplus dairy products represent stable and reliable sources of protein to the food banks that form the supplementary food assistance network that is described in the article in the New York Times that you referred to earlier.

Moreover, TEFAP contributions represent as much as 35 to 40 percent of the food inventories of food banks and local feeding organizations. As well, we believe that the TEFAP program reaches a portion of the population that is not enrolled in the Food Stamp Program.

Let me confine my oral remarks to the issue of the reimbursement by the Federal Government to the States and the local feeding organizations for administrative expenses, because I believe this is an issue that is before the Congress, and about which there is some concern.

Senator **Dole**. That is the $50 million.

Mr. **Lipsky**. That is the $50 million in the current fiscal year. It is my contention that at the start the funds allocated for local expense reimbursement have never been adequate, except in fiscal year 1983, when, as you recall, $50 million was allocated for a 5-month period, when the job bill was passed in March 1983.

As of 1984 a USDA study suggested 5 percent of the value of commodities is probably less than the amount necessary to pay for local distribution costs. Yet, funds for local distribution have never even equaled the 5-percent maximum entitled to go to local distributors.

Indeed, if in fiscal years 1984 and 1985 all the expense reimbursement money went to local agencies, and none had gone to reimburse State costs, reimbursement funds still would not equal the allowable, if inadequate 5 percent.

Let me mention some additional reasons that I think it is important to continue to reimburse States and localities for their expenses in running a program.

First, participation in commodity distribution has lagged, because States and emergency feeding organizations have run out of money to run the program. As of May 1, only 28 States have filed orders for the fourth quarter of fiscal year 1985. Of the 22 States that had not filed orders, Maine, Vermont, and New Hampshire, for example, have no filings for several months. New Jersey had no program for 8 months. South Carolina had been an irregular participant in the last two quarters.

The program in 18 other States showed substantial reduction in products ordered for the period June to September 1985. These cuts are directly related to the unavailability of reimbursement funds, to the extent we have been able to look into the reasons for this.

Simply put, these shortfalls mean in a significant number of States there will be no supplemental cheese or butter, or rice, or cornmeal available for direct distribution this summer, and it will mean hardship for the soup kitchens and food bank programs and other emergency feeding programs that depend upon these goods.

It is true that some States may seek supplemental apportions for the summer, but the response to those appeals to State legislatures is simply problematic.

Senator Dole. I think it was our feeling that, if we made the food available, at least the States ought to be able to pay the administrative costs. I do not know how much, States have received. You say in Vermont they have not had any applications. I assume the amount of funding is quite small for Maine and the other States you mentioned.

Mr. Lipsky. There is a formula, as you know, to distribute the funds according to a proportion of poverty and unemployment that makes up a proportion of the country's profile in these areas as a whole. That may be your feeling. I do not know how——

Senator Dole. That was our original feeling. On the Senate floor, Senator Hatfield and I added an amendment to the jobs bill to provide $50 million for instrastate distribution and storage, as I remember. Maybe it has been properly spent. We will hear from a Kansas witness here in a moment. It seems that a lot of the States have initiated tax cuts, and have budget surpluses. They might be able to pick up that little bit of money. It cannot be very much, in most States.

Mr. Lipsky. I can only—I do not want to speculate on what State legislatures will or will not do, but I know in 1983, when the jobs bill was being discussed, over a year after the President had released cheese in the first place, there was extensive testimony that the local feeding organizations could not handle and absorb those administrative expenses themselves.

We also know, from our surveys, our interviews of State officials, that the States only began to devote significant administrative time to the program when, (a) they began to receive some expense reimbursement, and, (b) when they were confident it would be something more than a temporary program.

Senator Dole. I do not quarrel with you. As I recall this was supposed to be a temporay program, as its name reflects.

Mr. Lipsky. We do know—let me just report, for whatever use you make of it, that the lags in State orders appear to be directly related to the fact that the local feeding organizations feel that they cannot afford any longer to continue in the program, because their share of those funds have been used up, and that State agencies have also been cutting back, in order to try to deal with that.

There are additional reasons perhaps I could mention, for whatever use you care to make of it. If one assumes that expense reimbursement is a normal part of the program, as the States have been able to assume for the last 2 years, the community action agencies and their equivalents, which serve as prime distributors in more than half the States, have been forced to abandon other activities, because they have devoted themselves to food, to emergency food efforts.

One of the things to keep in mind about this program, is that in about half the States it is community action agencies, and not food banks, that are the prime distributors.

An additional concern is if food banks cannot recover their costs, they may be forced to increase the shared maintenance contribution they seek from member agencies to cover their expenses, because they have got to make their budgets somehow.

Thus, the lack of administrative cost reimbursement would appear to fall overwhelmingly on local churches, and the hard-pressed urban charities, that are already pressed to the limits by feeding the hungry, and caring for the homeless.

Finally, where food banks do serve as distribution agencies, the Federal Government should provide reimbursement for administrative expenses. I make that argument because for every dollar spent in the food bank network, $20 or more of food is provided to recipients of food bank activities, and I would argue, although it is slightly off the point of this hearing, that there is a decent Federal purpose to the maintaining of administrative expense money in order to support the food bank activity which returns so much value for each dollar that is spent. I am aware that, as someone put it to me as I was preparing this testimony, $100 spent on the administrative aspects of TEFAP food distribution means $100 less effort to solicit additional donations from private sources, or responding to the needs of an additional local charity.

So, for that reason, I would also encourage this program.

Senator DOLE. We will go to the next witness, and then come back to Father Etzel.

The CHAIRMAN. Before you get into your statement, at what point will the General Accounting Office appear?

Senator DOLE. They are in the room, and we have them scheduled.

The CHAIRMAN. I wanted to hear from them. I am working between Foreign Relations and this committee.

Senator DOLE. There is one other witness after this panel, so they will be on after that. Senator Boschwitz is supposed to be here at 10:45. We can let you know, I guess.

The CHAIRMAN. I appreciate it.

Pardon me, sir.

Father ETZEL. I am Father Richard Etzel, from Kansas City, KS.

Senator DOLE. Would you rather have the GAO people now?

The CHAIRMAN. No.

STATEMENT OF REV. RICHARD ETZEL, DIRECTOR, ST. MARY'S KITCHEN, KANSAS CITY, KS, ACCOMPANIED BY WILHELMINA GILL, DIRECTOR, WYANDOTTE COUNTY EMERGENCY ASSISTANCE, CATHOLIC SOCIAL SERVICES, KANSAS CITY, KS

Father ETZEL. I have been director of a rather extensive food service, a kitchen, for the past 3 years.[1]

To my left is Mrs. Wilhelmina Gill, who has, for 15 years been director of the emergency assistance in Wyandotte County, for the Catholic Social Services.

We come with a keen interest in good nutrition. We do not come as professionals, with a lot of research or studies we have done, except from what we experienced day to day there. It concerns us that there seems to be an increasing number of people having to rely on operations such as ours. Having just discarded those that joined the kitchens after they find out about it, we see a pattern developing in the last 6 or 8 months, where our one service alone has been averaging about 12,000 people a month. It is entirely an operation run by the churches and other civic groups that participate, and I estimate something in the neighborhood of some 3,000 volunteers a month help make that one feeding site work.

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[1] See p. 79 for the prepared statement of Father Etzel and Mrs. Gill.

It is an amazing operation, when you think that that many people are actually involved in feeding the numbers that come through, 12,000. Three thousand serve 12,000.

We were blessed in 1983 with the allotment of foods that were made available to the States with that job bill. We used them in our kitchen for a solid year, and they involved some very fine meats and poultry, other commodities that were made available through USDA, through the State, I guess through that money. We used it to good purpose. We fed 144,000 people at that one site last year. Among them were 25,000 children.

The previous speakers were speaking about WIC, and we do pick up a lot of these people in these kitchens who are not eligible for other services, not eligible for food stamps, they have no unemployment insurance, and they are just out there with no place, or nothing. Those are the ones that come to our kitchen. They are disabled, some of them. A lot of families, single parents, double parent families. We have disabled, just all kinds of people who come through there, who tell us—we have no way of verifying this, of course, and we are not interested in operating a statistical pool, but they tell us this is their only meal in a day.

We noticed that from the middle of the month, from then to the end, that our lines increase, almost double, which says to me that the individuals are using their own funds, food stamps, and whatever other eligibility moneys they do have, to support themselves, and when those are gone, they appear back at our kitchen.

We have not participated in the dairy products program, because we feel that the commodities that are made available there are more useful for families than for us in the kitchen. As you might imagine, it would not be very practical either for us just to serve cheese and dairy products every day as the main staple. So we are coming with a request that, if it is possible, for the committee to bear in mind that that initial grant in 1983 served all these private agencies extremely well.

At least, if you can measure those in Kansas City, we used them for a year. We would like to have some more, if that is ever possible.

And we thank you for the time that you have given us this morning to speak on behalf of those who do not have anybody to speak for them, like Mrs. Gill.

Senator DOLE. We appreciate your testimony very much and we appreciate your making the trip back here.

Mrs. GILL. Good morning, Senator.

When you come home, you do not get a chance to see the kitchens. We thought we would bring a few photographs to show you some of the scenes that we have been exposed to.

One point I would like to address is the socioeconomic effect of having a kitchen. I have no statistics to back this up, but I am reasonably certain that the crime rate in our area is much lower because we are able to feed individuals who would be prone to commit certain crimes in order to see that they themselves eat, or that their families are fed, when hunger strikes.

Those of us hear know how calm we get when we are sitting at home and eating a meal. So as not to take up a lot of your time, I think you recognize what the problems are.

I would just like to underline and ask that if there is an avenue available, or if anyone is able to help us to get protein types of food to supplement the foods that are prepared and donated by the volunteer sector, we would very much welcome them.

We are very happy to report to you that when the cuts were instituted, that we did get together a large group of volunteers, who seem no ways weary or tired, and we are very happy over what they are doing, and we would like to encourage them.

Recently, last month, you know, it was food and hunger month in the Kansas City area, and as I was coming here on the plane I took an article out, and it concerns what the Kansas City Emergency Coalition feels is going to happen, that this summer because of some of the food cuts in the Summer Program for children, there will be many children who will be hungry, and if they know they can come to a food kitchen, and have food, they will be much less likely to involve themselves in inappropriate conduct.

I think that that is the one thing that I would like to hammer away at. If we can keep our cities calm by feeding people, we have done a great good.

Thank you, Senator.

Senator DOLE. I do not think there will be any cuts in the Summer Food Program. At least, I am advised that there will not be any cuts.

What percentage of the foods you give out come to you under the so-called TEFAP Program? Forty percent?

Father ETZEL. If you are speaking of the perishables, such as cheese, and that, as I stated, we chose not to use those because they were allowed to take those into their homes, the families were. We preferred to let them use them.

The only problem a kitchen has with just those few commodities is you cannot run a 7-day-a-week operation on cheese and rice. I imagine if you get very creative, you could. I was speaking more about the allotment that came through as part of that jobs bill, for specifically hot lunch programs, and I guess the schools got some, and other private agencies. We received those, and used them quite well.

Senator DOLE. You operate 5 days a week?

Father ETZEL. We are 7 days, at our place.

Mrs. GILL. Holidays included.

Senator DOLE. I noticed one sign says Monday through Friday.

Mrs. GILL. That was the original. It is an old picture.

Father ETZEL. When we began.

Senator DOLE. I wonder what some people do on weekends. You have addressed that problem.

Mrs. GILL. Yes.

Father ETZEL. We are the only one, that I am aware of, that serves on the weekends. The total number in Kansas City for the year, by the way, is 200,000 patrons. We had under 150,000 last year.

Mrs. GILL. We have four kitchens in the Kansas City area.

Senator DOLE. You have an increase on weekends, then, I assume?

Father ETZEL. It runs about the same group around the clock. As I say, the pattern shifts from the front of the month to the end of the month, because as various funds are available for individuals, they use their own, and when those funds run out, we notice almost double starting around the 15th, and it keeps adding and adding, until we get as high as 600 a day.

Mrs. GILL. Of those we have at the kitchen, they include the recently unemployed, waiting for unemployment compensation, waiting for their food stamps to be approved at the State level, or the county level, rather, and it is during this interim period that some people partake of the kitchen. We do not have a great percentage of people who just repeat and repeat.

Senator DOLE. You do not have regular customers?

Father ETZEL. I would say half of ours, or better.

Senator DOLE. These are children, probably?

Mrs. GILL. Mothers, children, and handicapped.

Father ETZEL. We have been keeping pretty accurate records, since we began, and the increase in number has been about 7 percent in the last 8 months. We have had 10 to 12 percent each month of children, and our rule is that mothers have to come along with the children. During the school year, the children's number decreases somewhat, because of the school programs, but those we do have would be the infants, 1 to 5 years old, that come through the kitchen.

Mrs. GILL. Someone interviewed someone at the kitchen, and the response of the interview was that they saved their food stamps. What people do when they save their food stamps, is accumulate enough food stamps so that they can have what we would call a decent bill of fare, rather than take the food stamps and spread them out over a long period of time, and so saving food stamps—there is nothing else they can do with them, but buy food. They just accumulate them, and then they can have a good, wholesome meal, toward the beginning parts of the month. It is the ends of the month, and special situations that we are providing food for people.

The CHAIRMAN. You have four in the Kansas City area?

Father ETZEL. Kansas City, KS. That is not counting the ones in Missouri.

The CHAIRMAN. They are all church related?

Father ETZEL. Yes, except one. One has grown out of an action group, a community action group.

Senator DOLE. Is that Prescott?

Father ETZEL. No. It is the one in Bonner Springs.

The CHAIRMAN. Have you ever gone to one of these?

Senator DOLE. I have not been to St. Mary's, but Chris has been there.

The CHAIRMAN. We have many in North Carolina, but the one that comes to mind is operated by the Episcopal Church. Betsy Brian Rollins has been sort of a mainstay there. You are right. The people who come there, the ones I saw, are people who in general just do not have any hope.

I mean, let us face it. They are alcoholics, going all the way down, and nobody much cared about them.

Let me ask you this. Doctor, let us divide up this $50 million, $1 million for each State. Where do you think that $1 million goes in North Carolina? It goes in the State Treasury, does it not?

Mr. LIPSKY. Excuse me. Actually, I do not want to impugn the government of North Carolina.

The CHAIRMAN. Then Kansas or Illinois.

Mr. LIPSKY. One of the things that we found that was surprising to us, is that States tended to give more than they are required, to local organizations, and are absorbing a great deal of the administrative costs of running this program, and I was impressed and surprised that States were forgoing some of the money that they could have retained, in order to support the local food networks.

I think this is because the local food networks have begun to be a constituency in local government, and are able to make some kind of political demands for some support of the expense reimbursement.

The CHAIRMAN. I think perhaps the better method of operation in this would be to establish publicly what the priorities are in the various States, including my own.

Now, as long as the Federal Government sends the average of $1 million down, sure, they are going to take it and sock it away, and that is $1 million more from the Federal Government, free money from Washington. But I think there are few States, if any, that are not able to pick up this tab, and that is the point that the chairman was making.

Somewhere along the line we have got to realize that this Government is broke. We are bankrupt. Worse than that. That is the problem, as I see it.

Mr. LIPSKY. One of the points that you should be better able to comment on than I am, but I would like to raise, is the role of this program in reducing surplus stocks. It is pretty clear from the origins of the program that the Government was faced with a severe problem of dairy surpluses, in danger of spoilage, and this has been a magnificent way of solving two problems at once.

I think under those circumstances that there is an argument that the Federal Government, let us put it this way, appreciates the role of States in moving surpluses to the appropriate places.

Senator DOLE. Maybe the $50 million comes out of the storage costs we save.

Mr. LIPSKY. It still is costly to run the program, but when you net it out, as you are implying one should, we get the figure that I reported to you, and I think that is a relatively low figure for giving nutritional supplements to people in need.

[Note: The following table, supplied by the Department of Agriculture, outlines allocations and expenditures for each State during fiscal year 1985.]

FISCAL YEAR 1985 PUBLIC LAW 98-92 (DOLE BILL) FUND ALLOCATIONS

	Allocation 50,000,000	Current authorization	State draws as of May 22, 1985	Percent of allocations	Percent of authorizations
Connecticut	432,004	432,004	218,001	0.50	0.50
Maine	227,757	227,757	227,757	1.00	1.00

FISCAL YEAR 1985 PUBLIC LAW 98–92 (DOLE BILL) FUND ALLOCATIONS—Continued

	Allocation 50,000,000	Current authorization	State draws as of May 22, 1985	Percent of allocations	Percent of authorizations
Massachusetts	859,733	859,732	859,732	1.00	1.00
New Hampshire	132,485	132,485	79,000	0.60	0.60
New York	3,758,464	3,758,461	3,758,461	1.00	1.00
Rhode Island	169,202	169,202	41,134	0.24	0.24
Vermont [2]	92,022	92,022	92,022	1.00	1.00
Total	5,671,691	5,671,663	5,276,107	0.93	0.93
Delaware	114,033	114,032	76,700	0.67	0.67
District of Columbia	185,602	185,600	69,037	0.37	0.37
Maryland	682,076	682,076	314,071	0.46	0.46
New Jersey	1,245,652	1,245,648	286,353	0.23	0.23
Pennsylvania	2,418,621	2,418,604	183,409	0.08	0.08
Puerto Rico	2,238,114	2,238,112	636,736	0.28	0.28
Virginia	915,656	915,652	333,904	0.36	0.36
Virgin Islands	26,724	26,724	13,723	0.51	0.51
West Virginia	530,239	530,236	140,500	0.26	0.26
Total	8,356,717	8,356,684	2,054,433	0.25	0.25
Alabama	1,154,143	1,154,142	551,800	0.48	0.48
Florida	2,035,020	2,035,019	139,650	0.07	0.07
Georgia	1,283,033	1,283,032	725,923	0.57	0.57
Kentucky	1,042,810	1,042,809	454,804	0.44	0.44
Mississippi	866,461	866,461	585,720	0.68	0.68
North Carolina	1,281,949	1,281,948	450,685	0.35	0.35
South Carolina	732,524	732,524	600,000	0.82	0.82
Tennessee	1,221,983	1,221,981	415,466	0.34	0.34
Total	9,617,924	9,617,916	3,924,048	0.41	0.41
Illinois	2,454,840	1,841,118	914,999	0.37	0.50
Indiana	1,056,729	791,196	629,004	0.60	0.80
Michigan	2,185,295	1,638,636	942,239	0.43	0.58
Minnesota [2]	694,730	521,214	272,279	0.39	0.52
Ohio	2,217,335	1,661,133	769,440	0.35	0.46
Wisconsin	800,400	603,708	356,811	0.45	0.59
Total	9,409,327	7,057,005	3,884,772	0.41	0.55
Arkansas	648,857	436,166	300,000	0.46	0.69
Louisiana	1,209,129	906,846	906,846	0.75	1.00
New Mexico	330,826	248,120	143,330	0.43	0.58
Oklahoma	641,451	458,066	267,723	0.42	0.58
Texas	3,178,163	2,371,478	1,583,500	0.50	0.67
Total	6,008,427	4,420,676	3,201,399	0.53	0.72
Colorado	493,871	370,403	197,269	0.40	0.53
Iowa	489,957	367,467	367,469	0.75	1.00
Kansas	372,480	279,360	183,316	0.49	0.66
Missouri	999,025	749,268	554,369	0.55	0.74
Montana	168,702	126,526	115,582	0.69	0.91
Nebraska	230,521	172,891	132,200	0.57	0.76
North Dakota	115,308	86,481	86,254	0.75	1.00
South Dakota	142,389	106,792	87,895	0.62	0.82
Utah	258,416	193,812	43,651	0.17	0.23
Wyoming	71,764	53,823	53,823	0.75	1.00
Total	3,342,435	2,506,823	1,821,828	0.55	0.73
Alaska [1]	96,724	0	0	0.00	0.00
American Samoa [1]	21,870	0	0	0.00	0.00
Arizona	502,560	391,920	392,006	0.78	1.00

FISCAL YEAR 1985 PUBLIC LAW 98-92 (DOLE BILL) FUND ALLOCATIONS—Continued

	Allocation 50,000,000	Current authorization	State draws as of May 22, 1985	Percent of allocations	Percent of authorizations
California	4,909,081	3,681,807	1,919,602	0.39	0.52
Guam	25,902	19,428	12,952	0.50	0.67
Hawaii	159,543	119,658	41,500	0.26	0.35
Idaho	190,318	142,737	97,298	0.51	0.68
Nevada	148,906	111,678	83,420	0.56	0.75
CNMI	10,237	7,677	1,231	0.12	0.16
Oregon	577,705	433,278	250,024	0.43	0.58
TR Territory [1]	87,630	0	0	0.00	0.00
Washington	863,005	647,253	575,336	0.67	0.89
Total	7,593,479	5,555,436	3,373,369	0.44	0.61
National totals	50,000,000	43,186,203	23,535,956	0.47	0.54

[1] Have declined to participate.

[2] Treasury check payment.

Source: U.S. Department of Agriculture.

Senator Dole. Is Virginia Smith here?

Virginia Smith, executive director of the Greater Philadelphia Food Bank. She may be coming, but if not, her statement will be made a part of the record. Here she is.

I am going to have to leave for another meeting, but Senator Boschwitz, who has a deep interest in this, and all these programs, will chair.

Following this panel we will hear from Father Cunningham, who has a very outstanding program in Detroit, that many of us are aware of. Then it is my understanding that the Chairman would like to be here when GAO witnesses testify today.

I would only say I have got to leave right now, but Senator Boschwitz knows more about this program than I do, and he can carry on. These are all good nutrition programs. I think all of us have been very supportive of these efforts.

However, the "T" stands for temporary, as I recall, and we have a habit in this Government of ours, of starting programs that never end. I think that is the question—whether there should be a reauthorization, and, if so, for how long, what period of time. Obviously, we still have great surpluses, many millions a year spent in storage costs, and farmers in deep distress.

I would not be surprised, not in Kansas City, but in some areas, if farmers were not waiting in line in soup kitchens. So it is tough.

Father Etzel. Senator, I just wanted to comment that while it is true that programs start out temporary, and become permanent, what appears at this time to be temporary poverty, is turning into permanent poverty. We have got people who did not think this could ever happen to them, 58 year old people, who lose their jobs, and they cannot be retrained, and they are too young to retire, and they just become burdens on these efforts.

Senator Dole. I think there is no question about it. We are addressing a need. A lot of people just have not had any hope for any possibility. They have been there. They have been unattended, relying on the church, or someone in the private sector, their neighbors or their family.

I guess the question is whether that should be shifted to the Federal Government and, if so, for how long, to what extent? We do have a responsibility. We have Federal surpluses, no question about whether we should let people eat them, rather than allow them to rot in some storage facility. We store a lot of these things in the Kansas City area, as you are aware.

Ms. **Smith**. We are aware.

Mrs. **Gill**. The other thing that happened, the first day we opened the kitchen, one of the groups—we have the TWA, the post office workers, and so forth. The TWA group that had committed to come and help us with the food service, went on strike, and they came any way, and they continued to serve, and that is the caliber of volunteers that we have involved, because really people have become aware that they never know when they will become a member of the line.

Senator **Dole**. It is not an exclusive group.

Mrs. **Gill**. No.

Senator **Dole**. We appreciate your testimony.

Senator Boschwitz may have questions for this panel. Mrs. Smith has not yet given her testimony.

I have visited with Senator Specter, maybe not your location.

Ms. **Smith**. That is my location.

Senator **Dole**. I went with Senator Specter one day to visit the Philadelphia site.

Thank you all very much for coming.

Senator **Boschwitz**. I might say to the majority leader, when I assume that position, that the dairy products will be stored in Minnesota, and not in Kansas.

Senator **Dole**. We are trying to make certain the surpluses are used, and not stored.

Senator **Boschwitz**. In the mean time, we will use them.

Senator **Dole**. You come up with a good dairy program.

Senator **Boschwitz** [presiding]. Why don't you proceed, Ms. Smith?

I will have an opening statement, but I am sure that the leader made a statement that would be very similar to mine, so I will not read my opening statement.[1]

STATEMENT OF VIRGINIA SMITH, EXECUTIVE DIRECTOR, GREATER PHILADELPHIA FOOD BANK, PHILADELPHIA, PA

Ms. **Smith**. All right.

Senator Boschwitz, members of the subcommittee, my name is Virginia Meyer Smith. I am the executive director of the Greater Philadelphia Food Bank, which is a nonprofit salvage warehouse engaged in soliciting and receiving edible but unsalable foods from manufactures, wholesalers, and retailers, and in storing and distributing these foods for a shared maintenance fee, to agencies supplying food to needy people.

The Greater Philadelphia Food Bank was founded in 1981 by a coalition of religious, social service, and neighborhood organizations with a common concern of wanting to reduce hunger in the city of Philadelphia, and the surrounding counties.

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[1] See p. 64 for the prepared statement of Senator Boschwitz.

Knowing that food companies discarded edible but unmarketable foods, we decided to open a warehouse so that surplus foodstuffs could be collected and redistributed to charitable nonprofit agencies assisting the needy. Last year, the Greater Philadelphia Food Bank distributed 6½ million pounds of food to 506 community nonprofit agencies.

Senator BOSCHWITZ. Do you make any effort with restaurants?

Ms. SMITH. There is another organization, and because the quantities that would come in from a restaurant are too small really to distribute to our large number of agencies, the people who collect from restaurants give them directly to the soup kitchens.

Our service area includes the five county area of southeastern Pennsylvania, and five southern counties in New Jersey. We estimate that the Greater Philadelphia Food Bank helps agencies to feed 13,182 persons in need each week through voluntary food programs at the community level.

The involvement of the Greater Philadelphia Food Bank in the distribution of Federal commodities to these same voluntary food programs has been virtually nonexistent in the majority of our service area.

Although the Greater Philadelphia Food Bank initially created the system by which mass commodity distributions were performed in the city of Philadelphia, we withdrew from the program once it became clear that neither funding, nor accountability, nor targeting would soon become a priority of the Federal Government. Just cheese.

Many of these programs have since been worked out, but only to a limited degree. Yet, funding is still inadequate to cover the expenses of performing distributions, targeting is loose and lacking in effectiveness, and accountability is almost nonexistent. These are some of the findings of the Pennsylvania Association of Regional Foodbanks. I am also told that a General Accounting Office study to be released next month will show similar inadequacies, particularly in the program as it operates in the Commonwealth of Pennsylvania.

Suffice it to say that an increase in administrative funding is desperately needed, a system of accountability in terms of inventory and product control is sorely lacking, and the issue of targeting is one which is probably not resolvable given the design of the Temporary Emergency Food Assistance Program, which encourages the mass distribution of a small variety of products.

It is this latter point on which the remainder of my testimony will focus, because I believe that without any doubt the issue of directing valuable Federal food commodities to persons who are suffering from hunger and undergoing actual food shortages is clearly the most important issue of the day.

Prior to President Reagan's Executive order of December 1981 which created the program which we now know as TEFAP, the Agricultural Act of 1980, Public Law 96-494, and the Agricultural Food Act of 1981, Public Law 97-98, contained a provision which provided for a food bank demonstration project which was administered by the USDA regional offices.

A report on the food bank demonstration project was prepared and sent to Congress in April of 1984. The demonstration project operated through food banks, similar in definition to the Greater Philadelphia Food Bank, and through emergency food box programs which are part of the food banks network of voluntary nonprofit agencies.

Between December 1981 and December 1983, seven demonstration sites provided USDA surplus commodities, cheese, butter, nonfat dry milk and later honey, in food boxes to needy households. The participating agencies were the Food Bank of Santa Clara, CA; Pittsburgh Community Food Bank, Pennsylvania; The Gleaners Food Bank of Indianapolis, IN; Second Harvest Food Bank of Nashville, Inc., Tennessee; Roadrunner Food Bank, Albuquerque, NM; Heart of America Indian Center, Inc., Kansas City, MO; and Feed a Friend Coalition, Worcester, MA.

The report on the food bank demonstration project showed that the Federal commodities complemented the typical contents of food boxes, and were a welcome addition to the canned goods, such as fruits, vegetables, soups, meats; dry products, such as rice, beans, cereal or noodles, and bread or baked products, which are commonly distributed to persons with emergency hunger needs.

The food bank demonstration project report cited that the "scarcity of resources and the requirements of donors and affiliated agencies caused both food banks and food box programs to safeguard resources and target aid." This means that the commodities provided by the Federal Government filled an important gap, and acted as a valuable resource.

In addition, the report found that: "Site reviews of the demonstration projects determined that accountable procedures had been established for inventory control, certification of recipients and issuance of food boxes. The telephone survey also indicated that inventory controls and efforts to prevent duplicate or overly frequent issuance to the same household were normal for a majority of food banks and food box programs."

These are comments which are not often heard about the mass distribution program, although the merits of mass distributions in reducing the stockpiles of Federal commodities cannot be denied.

However, the Greater Philadelphia Food Bank, and most of the 268 food pantries in our service area, have absolutely no access to Federal cheese, butter, nonfat dry milk, honey, flour, cornmeal, or rice for use in the daily activity of providing emergency food boxes to people in dire need.

Somehow, the intent was lost. The idea of providing Federal commodities for use in food boxes does not occur in the city of Philadelphia, nor in countless cities and jurisdictions throughout the country.

Oddly enough, the State of New Jersey does provide the Greater Philadelphia Food Bank with 500,000 pounds of Federal commodities, which we make available to agencies in southern New Jersey; yet, the box programs in Pennsylvania do not have general access to Federal commodities for inclusion in the boxes which are prepared on a daily basis for people who have run out of food.

In Philadelphia, food pantries have had to purchase expensive nonfat dry milk in order to include it in a full complement food box for a hungry family with children. In Harrisburg, the largest food pantry in the city has had to use its limited resources to purchase butter, because there was insufficient product left at the end of a quarterly mass distribution.

This does not make sense. The demonstration project report attempts to justify its conclusion that States should consider "making USDA commodities available to food banks and their affiliated food box programs for use in the ongoing distribution of emergency food boxes and needy households." But, as you can see, this is only true in theory, not in practice.

The solution to this problem, I think, is to learn from the experience of the food bank demonstration project. The section of law which pertains to the demonstration project, title 7, United States Code, section 4004, does not appear to have expired. A simple amendment and report language to this section of law could place the Federal Government in a more complementary relationship with preexisting efforts to feed the hungry in the United States.

Our need is to help the voluntary agencies which are attending to the hungry on a daily basis. Unfortunately, TEFAP does not, for the most part, help us to do our job. Generally, it bypasses the normal voluntary efforts to feed the hungry.

I would recommend that this committee resurrect a food bank distribution program which would utilize the abundant food resources of the United States, and provide a much wider range of commodities through a limited distribution network of food banks as a part of this legislation. Through a limited network, a wider variety of section 416 and section 32 commodities could be distributed in the food boxes prepared by churches and community groups. Products which are in too short supply for TEFAP mass distribution could instead be made available through food bank networks.

The prevention of hunger can and should be the primary goal of the provision of foodstuffs. We need your help to better serve the children and families whose cupboards are empty.

Thank you for this opportunity to testify. I would welcome any questions you might have.

Senator BOSCHWITZ. It is not clear to me why you were unable to get commodities. Is funding inadequate to cover the expenses of distributing the commodities?

Ms. SMITH. We were told we could not have that. We are getting the commodities from New Jersey without any problem. I am getting reimbursed. But in Pennsylvania I was not able to negotiate with the State Department of Agriculture for commodities. They are being given out in mass distributions, and the contract was given to the county commissioners.

Senator BOSCHWITZ. You sought USDA surplus commodities, and could not get them?

Ms. SMITH. No, we could not. Not from Pennsylvania. I do from the State of New Jersey, for the member agencies in New Jersey.

Senator BOSCHWITZ. I did not understand this portion in the early part of your testimony, where you say you had inadequate funding to cover the expenses of distribution, targeting it, and so forth. I get the impression that you rejected some help because of that.

Ms. SMITH. No. As I say, we were at one time offered some commodities, but no reimbursement for them, from Pennsylvania.

Senator BOSCHWITZ. What do you mean, no reimbursement?

Ms. SMITH. Reimbursement for the storage, or for the distribution of the commodities in Pennsylvania.

Senator BOSCHWITZ. So you did not accept them?

Ms. SMITH. Yes; we did not accept them at that time. We were asking for a regular reimbursement, which we get from the State of New Jersey. There is reimbursement for storage and distribution of these products.

Senator BOSCHWITZ. You do not accept commodities if you do not receive reimbursement, is that correct?

Ms. SMITH. That is right.

Senator BOSCHWITZ. I do not understand that.

Ms. SMITH. We are a food bank which accepts private donations of food.

Senator BOSCHWITZ. Do you get reimbursement from those people?

Ms. SMITH. What we have is a shared maintenance contribution from our member agencies of 10 cents per pound for the food. The individuals who are needy do not pay anything, but the voluntary agencies help us to maintain our food bank by a 10 cent per pound contribution, or shared maintenance fee is what we call it, and this is what food banks do throughout the United States.

Senator BOSCHWITZ. And the manufacturers, or wholesalers and retailers, who donate, in effect, pay you to take it?

Ms. SMITH. No. They do not pay us to take it. We go and collect the food ourselves, but in order to maintain a warehouse, what we have is a member agency——

Senator BOSCHWITZ. I understand that, but why would you not accept the surplus commodities from the Federal Government? That was not clear to me.

Ms. SMITH. Because it costs us money to maintain a warehouse, and this is what we do. Since we cannot charge the agencies, at least at the present time we have not been permitted to charge the agencies anything, as we normally do, we have asked for reimbursement from the State. That is my contract with the State of New Jersey, you see. They reimburse for this, to pay for the costs of storage and distribution.

Senator BOSCHWITZ. Am I missing something here?

Mr. LIPSKY. Senator, the food banks maintain——

Senator BOSCHWITZ. You want us to pay you to take food, is that correct?

Ms. SMITH. No. I only ask for reimbursement for the costs.

Senator BOSCHWITZ. Professor Lipsky, would you respond?

Mr. LIPSKY. The food banks are unable to charge their member agencies for USDA commodities, according to the State plan of Pennsylvania.

Senator BOSCHWITZ. You mean legislatively?

Mr. LIPSKY. If you come and shop at the food bank for the church, you will pay 10 cents a pound for food, as a shared contribution. If you pick up cheese, you are getting it for free, because the food bank is not allowed to charge you for USDA commodities, since they are being given out for free to the local distribution. I believe it is Ms. Smith's claim that because this would represent a very large amount of volume, and they cannot get reimbursed as they would normally——

Senator BOSCHWITZ. They do not have any other sources of funds?

Mr. LIPSKY. They would have to absorb those costs.

Senator BOSCHWITZ. They are not clever enough to go to some of the people who give them food here, the manufacturers, distributors, some of the eleemosynary institutions?

Mr. LIPSKY. I do not want to speak for the food banks. Some food banks have decided to absorb those costs, and to either increase their costs to the local feeding organizations, or——

Senator BOSCHWITZ. Sure.

Mr. LIPSKY. One way you could do it is simply spread the cost around for the other food that is purchased, or you could use some of your cash contributions, which would mean you would not be able to purchase certain kinds of foods, or do other kinds of things in the food banks, because they have other expenses for which those funds get used.

Ms. SMITH. May I say something here? That is——

Senator BOSCHWITZ. I have been connected with a lot of eleemosynary institutions in my time, as a volunteer, and a donor, and I have never run across one that turns away food for lack of reimbursement, when it is seeking to feed the hungry.

Ms. SMITH. Could I say something here? Our charge—it costs us 10 cents a pound to distribute food, whether it comes from private sources, or whether it comes from the Government. We charge our agencies this shared maintenance fee in order that we can maintain our warehouse.

Senator BOSCHWITZ. I heard all that.

Ms. SMITH. But we have actually received reimbursement from the State of Pennsylvania to the extent of about, it turns out to be, 2 or 3 cents a pound.

Now, that means that we are giving people the benefit of our labor, and our storage costs, and everything, for that very, very low amount. New Jersey does give this reimbursement.

What we could not understand was why it was not possible for the State of Pennsylvania to do the same.

Senator BOSCHWITZ. I suggest you take it up with the State of Pennsylvania.

Thank you very much, Father Etzel.

Thank you very much, Mrs. Gill.

I think the next witness if Father William Cunningham. I understand that Father Cunningham has left, but a friend, Eleanor Josaitis, is going to testify in his stead.

Is there yet another witness from the GAO? Is Brian Crowley here, too?

Mr. CROWLEY. Yes, sir.

Senator BOSCHWITZ. Please proceed.

STATEMENT OF ELEANOR JOSAITIS, ASSOCIATE DIRECTOR, FOCUS: HOPE, DETROIT, MI, ON BEHALF OF FATHER WILLIAM T. CUNNINGHAM, DIRECTOR

Ms. JOSAITIS. Senator Boschwitz, it is an honor to be here today, and a double honor for me to be able to testify before you. I appreciate everything that you do in behalf of the poor people around this country, and are grateful for your efforts.

I want to speak about some of the basics, because I know there is a lot of testimony that has been given on numbers, and statistics, so let me talk about the basics today.

Senator BOSCHWITZ. You are going to quote all of those statistics?

Ms. JOSAITIS. Yes; I am. This is my speech [indicating documents]. This is my speech, so we are going to be here for a while.

Senator BOSCHWITZ. I see that.

Ms. JOSAITIS. I figure I only have one opportunity, so I am going to take it. Right?

Senator BOSCHWITZ. You are the most impressive witness who has ever come to this table. My gosh, woman.

Ms. JOSAITIS. Thank you.[1]

I want to speak today for not only myself and Focus: HOPE, but I want to speak for the rest of the supplementary food programs across the country, and I feel an awesome responsibility to speak in their behalf. It is not only the programs in San Francisco and New Orleans and Des Moines and Chicago and Memphis and Denver and Red Lake Reservation, and a dozen other places, but I also want to speak for the good folks in New York and New Mexico, Arizona, and Rhode Island, who have asked to start new CSFP programs, and have been turned down.

And I want to speak in behalf of the 15,000 old people in Detroit, and thousands elsewhere, who have been waiting patiently for Congress to let them have some commodity supplemental foods.

We only want to repeat what we have said for the last 15 years, Senator Boschwitz, that there is no moral excuse for poor children and poor seniors in America to go hungry.

The Commodity Supplemental Food Program is a no-nonsense program run by very practical people. We are civil rights advocates, social workers, nutritionists, clergy, volunteers and ordinary people, with one thing in common. We have a tenacious dedication to the right of children to grow up with their bodies and brains intact, and the right of the elderly to live free of fear.

We take overabundant agricultural resources from the farmer via USDA purchases, and we distribute them directly to low-income mothers, infants and preschool children. For the past 3 years in Detroit, New Orleans, and in Des Moines we have also given food supplements to poor elderly persons under a pilot program called Food for Seniors.

Food supplementals contain instant milk, evaporated milk, canned meats, vegetables, fruits, fruit juices, eggs, farina cereal, peanut butter, dryed beans and instant potatoes; and, for the babies, infant formula and rice cereal. Lately we have also been supplying them with cheese, rice, raisins and honey. And, all of this is at half of what the same food would cost at retail, or twice the food that could be supplied using food stamps or coupons.

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[1] See p. 88 for additional material furnished by Ms. Josaitis.

The Commodity Supplemental Food Program secures nutrition and supports the farmer. There is nothing in it for the middle man, and nothing for the professional poverty planner. The Commodity Supplemental Food Program makes sense in times of budget deficits, because it matches harvested resources with human resources, to protect the productive potential of children and the health of old people for minimum dollars.

At a conference held in Detroit last July all CSFP directors recommended the admission of elderly poor people as food recipients. After 4 years it is time to end the pilot phase of Food for Seniors. We can make room for fragile, and sometimes starving old people with the present resources and without denial of any mothers or children. What we need is the authorization to do so.

The pilot programs in Detroit, Des Moines, and New Orleans have documented the severe needs, and have proven the receptivity of seniors and volunteers to this critical help. Right now, Focus: HOPE, in Detroit provides monthly food supplements to 7,600 seniors.

We have involved 91 churches, volunteers, health and social service groups, in finding and helping the most needy, 3,900 individual volunteers are making food pickups and home deliveries, and offering many other kinds of carings. But Focus: HOPE alone has a waiting list of 15,000 elderly, and we have had that since we began in 1982.

The average food recipient is 72 years old, and has a monthly income of $341. The average senior on the waiting list is 70 years old, and has a monthly income of $365.

We also seek fairness in the administrative funding formula. I remember a conversation with Senator Philip Hart, when he drafted the first bill making USDA responsible for the administrative funding, and that was in 1977.

The Commodity Supplemental Food Program operators wanted 20 percent of the appropriations set aside for the cost of food storage, handling, distribution, recordkeeping and other administrative responsibilities.

However, we did agree to hold the line at 15 percent, if that percentage was based on the value of all the foods supplied by the Department of Agriculture. This understanding has broken down in the last 3 years. Now the formula reads, and I quote, "15 percent of the amount appropriated for the provision of commodities." And the USDA interprets it to refuse any administrative reimbursement for products the Department can supply from sources other than the appropriation.

The USDA calls this practice free or bonus foods. Of course, we want to distribute any foods that are available. That is our belief, that whatever is available, we will distribute that food. We cannot manage that without some administrative help.

For example, this fiscal year, up to date, we have distributed 3 million pounds of bonus foods, and are bearing a deficit of $260,000. We simply ask that the 15 percent cover all the foods provided, regardless of the source, and we feel this is fair. We know this program has the lowest administrative allowance of any permanent

Federal food assistance program, and we believe that the 15 percent is indeed enough.

Last, we request Senate support for the start of new CSFP programs in areas of proven need, where advocates have shown themselves eager and competent.

Provisions to include the elderly in the Commodity Supplemental Food Program, to restore the administrative funding standards, and to accommodate new programs were passed last week by the Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition of the House of Representatives. We urge the Nutrition Subcommittee of the Senate to reiterate priorities for the young and the old by adopting similar provisions.

Now, Senator Boschwitz, let me translate everything that I've just said, to say that this book represents mothers and children that Focus: HOPE provided food to last month alone.

Senator BOSCHWITZ. That is more than 7,600.

Ms. JOSAITIS. This is 7,600. That is for the senior citizens. This book is the senior citizen's waiting list. These are the 15,000 seniors who have called in, and we have told them that when somebody dies and goes off the program, we will go through our computer and pick out the oldest person, with the least income, and add them to our food program.

But this is the program for the mothers and infants, this book. This is 47,758 every month. These three books——

Senator BOSCHWITZ. In the distribution of 3 million pounds, you would include both groups?

Ms. JOSAITIS. Yes, it would—no, I misspoke myself. The 3 million pounds goes to the mothers and children program only. It would be almost a million additional pounds for the senior citizens. People come in and pick up their food. We have refrigeration units in each of our five warehouses, and in our central warehouse, where we will receive 81 trainloads of food a month, we store it all——

Senator BOSCHWITZ. Eighty-one boxcars?

Ms. JOSAITIS. Eighty-one boxcars. It averages between 69 to 81, depending on the time of the year. That is every month. So you have a staff that unloads it, and then you put it into the warehouse, and then you distribute it to our other centers.

We will have, well, all 50,000 to 60,000 people that come in on a regular basis, every month, to pick up their food. Right now we are receiving nothing to administer bonus foods.

Senator BOSCHWITZ. Most of the food is distributed by volunteers?

Ms. JOSAITIS. Absolutely, 23,000 volunteers, they unload the boxcars. They help stock the food. They drive mothers to pick up their food. All of our centers are set up like supermarkets, so when the people come in, they push a shopping cart, and pick up the items off the shelves themselves. We do that for two reasons. We want to maintain the dignity of the family, and we feel very strongly if a family comes in with small children they should see their mother or father just pushing a shopping cart, and not handed an item.

Senator BOSCHWITZ. What is the limitation on what they can take, if any?

Ms. JOSAITIS. There is a limitation. It depends on how many in the family, and what the ages are of their children. We provide food to pregnant women, mothers, and children up to the age of 6, and we give them a menu, as it is called, depending on the age of the child.

Senator BOSCHWITZ. The administration has indicated that new CSFP programs should not be started in areas where the WIC Program already exists, which I presume this is just about everywhere.

Should we have a dual administrative structure for both programs? Do they serve the same purpose? Do they overlap?

Ms. JOSAITIS. We have both the WIC and the CSFP in the city of Detroit, and have been operating dually for a good number of years. It is our belief that the Commodity Supplemental Food Program can feed more people for fewer tax dollars, and we can prove that. But it does not work in every place across the country, and it is a complement to WIC. Oftentimes WIC, unfortunately, will have a caseload where they have to cut back on mothers and children, and have a priority list. That is not true with the commodity program.

I would say, that there certainly is need for both programs, and yes, the Department should allow both programs in the WIC area.

Senator BOSCHWITZ. Even though they are duplicated?

Ms. JOSAITIS. They are not duplicated.

Senator BOSCHWITZ. Some of your 47,000 people do not get any WIC?

Ms. JOSAITIS. Absolutely not.

Senator BOSCHWITZ. They do not get any WIC?

Ms. JOSAITIS. They must make a decision, if they are going on to the WIC Program, or on the commodity program, and our records and the WIC records are checked on a monthly basis. It is possible that a mother and her infant child would be on the WIC Program, but her 5- and 6-year-old child may be on the program with the commodity program.

Senator BOSCHWITZ. What is the cost per month? Do you have that figure?

Ms. JOSAITIS. It costs $19, about $19.39 for the food package, for the mothers and children.

Senator BOSCHWITZ. Per month?

Ms. JOSAITIS. Yes, and $11 for the senior citizens. That includes the 15 percent administrative moneys.

Senator BOSCHWITZ. What do they receive in a typical package?

Ms. JOSAITIS. The child will get a full month's supply of infant formula and cereal, juices. They get meat, vegetables, fruit juice.

Senator BOSCHWITZ. A full month's supply?

Ms. JOSAITIS. No. It is only meant to be a supplement. You could not live on it for a month. It weighs—an average package is 35 to 40 pounds of food.

Senator BOSCHWITZ. So that was $19 and what?

Ms. JOSAITIS. About $19.39, and $11 for the senior citizens. It is $19.35 exactly. We did a little study, and I would be happy to submit this for the record. We took that same amount of food that we distributed per family, and we shopped it in the supermarkets in the city of Detroit, and also in the neighborhood stores, the smaller stores, and, for example, if you take a package for $19.35, in a supermarket it is $27.45 for the same items, and in the neighborhood stores it is $32.34.

Well, you know, if you spread that over 47,000 people, you are spending a lot of money. So I can guarantee you that this is a cost effective program. It does what Congress intended it to do, take care of the needs of the vulnerable group of people.

Senator BOSCHWITZ. I have a friend who is in the food retailing business in Michigan. What would he tell me about CSFP? Do retailers look upon it as a competitor? Would they rather have these folks get food stamps and come to their stores?

Ms. JOSAITIS. I am sure they do, but I have to look at it as, No. 1, a taxpayer, and as somebody who is a good steward of what you appropriate, and I say what is the assignment? And the assignment is to see that mothers and children and the elderly are provided with food.

But my obligation also is to say how many dollars are you going to give me, and how many people can get food for those dollars. So, you know, I wish them well, and the Food Stamp Program is a fantastic program that provides food to people, and I would speak in its behalf at any time.

Senator BOSCHWITZ. Is there an overlap between your program and the Food Stamp Program? How many of the elderly——

Ms. JOSAITIS. They might be on it, but the vast majority of people are not on both programs. They can get more food by coming to the Supplemental Food Program. We have no restrictions or regulations that prohibit us from telling them they can get food stamps, too. So we encourage them to take what they can.

If you are a senior citizen, and you live on $308 a month, you are going to need that food stamp, as well as that commodity supplement, in order to maintain yourself. And what are you going to do when you are 78, or 80 years old? You are not likely to get yourself a job.

Senator BOSCHWITZ. What percentage of food that you distribute is actually supplement—not supplement—but surplus foods from CCC?

Ms. JOSAITIS. There are probably five or six items. The rest are put out by national bids by the Department of Agriculture. But the milk and cheese, and rice and honey and raisins are all surplus.

Senator BOSCHWITZ. I did not realize we had a raisin program.

Ms. JOSAITIS. Yes, and they love the raisins, too.

Senator BOSCHWITZ. What percentage of your total is surplus foods?

Ms. JOSAITIS. Of the total? I cannot tell you.

Senator BOSCHWITZ. Someone walks away with from 35 to 40 pounds. How much of that in value, or how much of it in weight, or both, are the surplus items?

Ms. JOSAITIS. I would say—let us take a 5 pound block of cheese, and add that to a 25, 30 pound package of food. I would say a good proportion—I know 5 out of the 12 items would be.

Senator BOSCHWITZ. Anything else?

Ms. JOSAITIS. No. Just to say to you that we would be more than happy to supply you with any facts and figures and to thank you for your efforts, and let you know that we are as serious about taking care of people, as you are.

Senator BOSCHWITZ. I have, in the process of events here, sometimes lost track of some things. I will look into your program, and see why we are not authorizing, or funding more such programs.

I know that from my previous associations, I have indeed been impressed with this program. I tried to obtain similar programs in Minnesota, which we have not yet been successful in doing.

Ms. JOSAITIS. No, we have not, to this point. But I have offered Minnesota any help and we will offer help to any place in the country that wants to come in and model after us. We would be more than happy to help, so the wheel does not have to be reinvented.

Again, I thank you, Senator Boschwitz.

Senator BOSCHWITZ. Thank you, Eleanor.

We are now going to have the gentleman from the GAO, Brian Crowley.

Who is with you?

STATEMENT OF BRIAN P. CROWLEY, ASSOCIATE DIRECTOR, SENIOR LEVEL, RESOURCES, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION, GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY STANLEY SARGOL, GROUP DIRECTOR, AND RALPH LOWRY, SENIOR GENERAL ACCOUNTING OFFICE EVALUATOR

Mr. CROWLEY. To my immediate left is Stan Sargol, who is our group director for food and nutrition, and to his left is Ralph Lowry, who worked on our WIC Program review that I am here to testify on this morning.

Senator BOSCHWITZ. Mr. Crowley, I think somebody is going to make a report that the GAO is showing up with too many witnesses.

Mr. CROWLEY. I thought you wanted our experts here, so I brought them.

Senator BOSCHWITZ. All right, proceed, if you will.

Mr. CROWLEY. Mr. Chairman, we are here today to discuss the results of our review of the Department of Agriculture's WIC Program, which provided supplemental foods and nutrition counseling to 3 million participants, at a cost of $1.36 billion in fiscal year 1984. These participants comprised pregnant and postpartum women, infants and children who had met specified income criteria, and were adjudged by competent professional authorities to be at nutritional risk.

According to some estimates, based on 1980 census data, and other information, these participants represented about one-third of the national WIC-eligible population. Balancing this eligibility potential against efforts to stem Federal spending, we sought to identify ways to make the best use of limited WIC resources through improved program management practices.

We have a draft report which is presently with the Department of Agriculture for comment. Copies have been requested by, and given to, this subcommittee's parent committee, and to a subcommittee of the House Committee on Government Operations. As soon as we receive and analyze Agriculture's written comments, the report will be made final and issued.

[Note: The digest of the final GAO report is included in the appendix.]

Under the overall direction of Agriculture's Food and Nutrition Service, the WIC Program is typically administered at the State and local levels by public health agencies or human services organizations. Because WIC must operate within congressional funding levels, and not all who may be eligible, can be served, it is important to ensure that program resources are used effectively. We found, however, that WIC benefits were not routinely being targeted on a priority basis to eligible individuals who program officials believe are inherently the most vulnerable and therefore stand to benefit most from WIC.

Senator BOSCHWITZ. What does that mean?

> We found, however, that WIC benefits were not routinely being targeted on a priority basis to eligible individuals who program officials believe are inherently the most vulnerable and therefore stand to benefit most from WIC?

What did you find in that case?

Mr. CROWLEY. That is discussed right at the bottom of the page I'm reading.

On the matter of targeting, the Food and Nutrition Service has not emphasized targeting as a major policy objective, and WIC agencies are required to target program benefits to the most vulnerable only when the agencies reach maximum caseload, that is, the highest participation level that available funds will support. Consequently, WIC agencies are not required to target when funds are available to increase enrollments.

Our discussions with WIC Program officials and other nutritional and health experts showed——

Senator BOSCHWITZ. Why should they be? They have enough money or resources to take care of all comers, why should they target?

Mr. CROWLEY. The problem is, they have not had enough money to take care of all comers when they reach maximum caseload. They have had to turn people away at times during the year. What we are talking about is having an ongoing program whereby the States would develop a network, a referral network, to get the most vulnerable people in the program.

Senator BOSCHWITZ. Are you saying they know at some point in the year they are going to have to turn people away, and, therefore, they should target in the beginning? Is that what you are saying?

Mr. CROWLEY. I am saying when they have available slots in their program, they should be targeting and developing a network which refers the most critically at risk people to the program.

Senator BOSCHWITZ. What does that mean? They should be targeting to develop a network?

Mr. CROWLEY. They should be developing a network of medical professionals that refer the most nutritionally at risk people to the individual WIC projects.

Mr. LOWRY. If I might make a comment, I worked on this job, and in our conversations with program administrators at the State and local agency level, and at FNS headquarters and in the regions, we were told time and time again, and our investigations confirmed, that available resources are not sufficient to provide WIC benefits to all of those who could conceivably qualify under the income guidelines and other qualifications set forth in the legislation and regulations.

At the present time, only about a third of those who are estimated to qualify can be served. Our starting point in this work—and certainly this viewpoint was buttressed in the course of our work—is that available resources are not sufficient to provide benefits to all who might qualify, and that to make the most effective use of those available resources, they should be directed to those to whom available evidence, evaluative evidence, indicates the benefits are likely to be the greatest.

These groups were identified as being pregnant women, infants, very young children, and then within those groups, groups such as pregnant adolescents, low-birth-weight infants, and others. And our report discusses those specific subgroups.

Senator **Boschwitz**. You are saying that the WIC organization does not seek out community doctors, or other people who will send them the most needy cases? They take them on a first come, first served basis?

Mr. **Lowry**. The links of the WIC Program to the medical community vary from program to program. It varies largely as a function of how well the WIC Program itself is integrated into the health provision aspect.

Now, some WIC Programs are sponsored by city and county departments of health. Some are sponsored by hospitals and maternity clinics. In those cases we find the programs are rather well targeted. Other programs are sponsored by community action groups, and other groups that do not have particularly good referral networks, and we found those programs in many cases to be relatively less targeted.

Senator **Boschwitz**. Where for instance, did you find the least targeted?

Mr. **Lowry**. Well, our report indicates that within States it varied greatly from one local agency to another.

Senator **Boschwitz**. The staff has shown me a caseload by priority breakdown.

Mr. **Crowley**. That is in our draft report.

Senator **Boschwitz**. There you show that New Mexico has the best record, by quite a bit.

[The following table was received by the subcommittee:]

PERCENTAGE OF CASELOAD BY PRIORITY RISK-CATEGORIES SERVED, SEPTEMBER 1984 [1]

	I	II	I & II	III	IV	V	VI	VII
GAO sample data	30.2	9.5	39.7	35.6	6.8	15.0	2.6	....
Service data:								
Nationwide	28.3	11.8	40.1	83.3	4.5	12.0	5.0	0.1
New Mexico	54.3	21.5	75.8	24.3	0	0	0	....
Oregon	38.0	11.4	49.4	29.6	6.9	13.1	1.1	....
Washington	37.7	9.7	47.4	37.1	4.2	10.9	4	....
Oklahoma	30.2	22.5	52.9	35.5	4.5	7.1	.03	....
Arizona	29.7	18.0	47.7	30.3	4.9	9.1	8.0	37.1
California	37.1	18.1	55.2	26.0	2.1	5.7	11.0	....
Delaware	23.1	16.3	39.4	41.4	3.6	6.8	1.3	7.5

PERCENTAGE OF CASELOAD BY PRIORITY RISK CATEGORIES SERVED, SEPTEMBER 1984 [1]—Continued

	I	II	I & II	III	IV	V	VI	VII
Alaska	29.7	11.0	52.3	46.1	.1	.9	.6	
Illinois	34.3	13.7	48.0	34.5	5.5	9.8	2.2	
Florida	32.5	18.1	50.6	35.3	2.7	5.3	6.2	
South Carolina	35.6	16.1	51.6	39.7	4.7	3.4	.7	
Puerto Rico	37.1	9.8	46.9	49.3	.6	2.3	.8	
Utah	26.5	13.3	39.8	41.3	1.9	11.8	5.1	
Guam	21.4	6.8	28.2	42.3	6.2	19.2	4.2	
Kansas	31.8	8.4	40.2	36.6	8.6	13.7	1.0	
Nebraska	26.7	10.8	37.5	35.8	3.0	15.6	8.1	
Missouri	24.1	14.7	38.8	35.7	8.3	15.2	2.1	
Arkansas	24.1	6.6	30.7	30.0	12.2	27.1	.0	
Hawaii	30.9	7.4	38.3	29.5	11.4	15.0	5.7	
Wisconsin	30.3	10.1	40.4	49.0	2.5	8.0	.0	
Texas	29.2	10.6	39.8	29.4	8.6	16.0	6.2	
Tennessee	22.9	14.5	37.4	34.3	16.2	6.2	6.0	
Colorado	25.0	7.5	32.5	34.6	6.1	24.6	2.1	
North Carolina	28.2	10.7	38.9	44.4	2.7	7.7	6.3	
Pennsylvania	23.2	6.7	29.9	55.6	2.0	5.7	6.8	
South Dakota	27.3	8.5	35.8	39.2	5.9	19.2	.0	
Wyoming	28.9	7.0	35.9	40.9	3.0	15.0	5.2	
Indiana	23.8	9.1	32.9	29.5	5.9	23.6	7.1	
Kentucky	18.9	14.8	33.7	28.7	7.8	21.8	8.0	
Virgin Islands	19.0	18.6	37.6	49.9	1.7	3.7	7.0	
Ohio	23.4	8.5	31.9	45.3	2.8	13.8	6.2	
Minnesota	25.7	8.8	34.5	47.2	3.1	13.3	1.9	
Maine	20.5	8.7	29.2	33.0	8.2	23.1	6.4	
Virginia	21.5	10.5	32.0	25.1	8.3	21.4	6.1	7.1
Idaho	19.8	10.3	30.1	18.6	16.5	34.5	.3	
District of Columbia	17.4	10.5	27.9	25.8	7.7	30.0	8.6	
Connecticut	19.2	10.6	29.8	36.9	5.9	23.2	4.2	
West Virginia	25.4	10.6	36.0	51.3	4.3	7.7	.7	
New Hampshire	19.2	8.3	27.5	33.9	5.8	26.4	6.4	
Nevada	20.0	6.7	26.7	30.0	8.7	27.7	7.0	
North Dakota	22.7	13.4	36.1	30.7	10.3	22.9	0	
Iowa	18.2	10.4	28.6	19.2	10.3	42.1	0	
Vermont	12.7	12.1	24.8	26.5	4.1	39.7	4.9	
Oklahoma	30.2	22.5	52.9	35.5	4.5	7.1	.03	

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[1] Service Priority Categories: I. Pregnant and breastfeeding women and infants as nutritional risk as demonstrated by anthropometric of hematological (blood-related) assessments or by related medical conditions, such as high-risk pregnancy. II. Infants, under 6 mo. of age, of women who were in the WIC Program during pregnancy or had priority I conditions during pregnancy. III. Children at nutritional risk as demonstrated by anthropometric or hematological assessments or by related medical conditions. IV. Pregnant and breastfeeding women and infants at nutritional risk due to inadequate dietary patterns. V. Children at nutritional risk due to inadequate dietary patterns. VI. Postpartum women at nutritional risk (for any of the above-mentioned reasons). VII. WIC regulations publishd on Feb. 13, 1985, allow state agencies the option of establishing a separate priority VII for risk of regression. This priority category is reserved for previously certified participants who might regress in nutritional status without continued supplemental foods and nutrition counseling. As the table indicates, 2 State agencies reported data in this category for September 1984.

Source: General Accounting Office.

Mr. CROWLEY. In serving the first two categories, yes, sir.

Senator BOSCHWITZ. Could you describe the categories to me a little bit?

Mr. CROWLEY. Sure. The first two categories include pregnant and breastfeeding women and infants at nutritional risk, as demonstrated by anthropometric or hematological (blood related) assessments, or by medical conditions such as high-risk pregnancies; and certain other infants under 6 months of age.

Senator BOSCHWITZ. Anthropometric, what does that mean? Size?

Mr. CROWLEY. Body measurements.

Senator BOSCHWITZ. OK.

Pardon me for interrupting you. You said, "We also found that program resources could be used more effectively if nutritional risk criteria were more uniform, and stringently applied, income eligibility procedures were strengthened, and WIC funding patterns and practices were changed."

Mr. CROWLEY. It is a quick summary at the beginning of my statement, which is developed further on.

Senator BOSCHWITZ. Go ahead. I may interrupt, and if you say that it is further along, then just say that.

Mr. CROWLEY. Would you prefer I go beyond the targeting?

Senator BOSCHWITZ. No, go right ahead. Start there again.

Mr. CROWLEY. On the matter of targeting, the Food and Nutrition Service has not emphasized targeting as a major policy objective, and WIC agencies are required to target program benefits to the most vulnerable only when the agencies reach maximum caseload; that is, the highest participation level that available funds will support. Consequently, WIC agencies are not required to target when funds are available to increase enrollments.

Senator BOSCHWITZ. You were saying by definition, since only one-third of the possible people are served, that they should start off by targeting at the outset of the year?

Mr. CROWLEY. I think they should, yes, but I am saying it for a number of reasons. One is that we have certain limitations on how much money we have available for WIC.

The second thing is we want to serve the people that it is going to help the most, the people most vulnerable and nutritionally at risk.

Senator BOSCHWITZ. I thought, incidentally, the figure was $1.5 billion, not $1.36. Is that 1986—that is fiscal year 1985 and fiscal year 1984.

Mr. CROWLEY. Our discussions with WIC Program officials and other nutritional and health experts showed a consensus that pregnant women, especially adolescents, infants, especially those born prematurely, breastfeeding women, and postpartum adolescents should be the highest priority targets because they are the most vulnerable during critical periods of growth and development. Of the children, the 1 and 2 years olds were considered to be more vulnerable than the 3 to 5 year olds.

Senator BOSCHWITZ. What is postpartum?

Mr. CROWLEY. That is after birth.

Our sampling of case files at 20 clinics in 5 States, California, Nevada, Minnesota, Illinois, and Pennsylvania, showed that less than half, 48 percent, of the combined clinics' participants were pregnant or breastfeeding women or infants—the most vulnerable groups. At the clinics in two States that had given special emphasis to targeting, over 60 percent of the caseloads consisted of these groups. The percentages for the other three States' clinics ranged from 35 to 40 percent.

Senator BOSCHWITZ. How do they go about the business of targeting?

Mr. CROWLEY. Right now——

Senator BOSCHWITZ. Do they get it from doctors?

Mr. CROWLEY. The individuals get in touch with doctors, or they will walk into a clinic. When we talk about the targeting done, now there has been little targeting until such times as caseloads get pretty close to maximum, perhaps near the end of the year, and we have no money left for additional applicants.

Senator BOSCHWITZ. Some clinics do target?

Mr. CROWLEY. Some do, yes.

Mr. SARGOL. In the case of Illinois, for example, they have a special advertising program, including TV spots and so forth, trying to encourage pregnant women and infants to come into the program, because they would receive needed benefits.

Senator BOSCHWITZ. Has that worked?

Mr. SARGOL. Yes. It is one of the higher targeted States.

Senator BOSCHWITZ. Illinois?

Mr. SARGOL. Yes.

Senator BOSCHWITZ. Forty-nine percent, OK.

Mr. CROWLEY. California should be pretty high, too.

Senator BOSCHWITZ. Fifth-two percent.

Mr. CROWLEY. Most WIC officials that we talked with said they supported giving increased and continuous attention to serving those who are the most vulnerable. Some WIC agencies had already taken steps to do this. For example, one State had a targeted outreach campaign stressing WIC as a nutrition intervention program for pregnant women and infants. That was the Illinois example that Stan referred to.

Service officials, while generally supporting increased targeting, said that WIC legislation does not require continuous, systematic targeting, and that such action might be legally challenged. We believe, however, that targeting is consistent with WIC's objectives, and is feasible within the Service's authority and management discretion.

Our draft report points out that the Secretary of Agriculture should: First, emphasize targeting as a major policy objective, second, assess and include in its management evaluations States' targeting performance, third, help States to develop targeted outreach and more effective medical referral systems, and fourth, encourage States to consider targeting in evaluating local WIC agencies and selecting new ones.

Senator BOSCHWITZ. Have you talked to the Food Nutrition Service about that?

Mr. CROWLEY. We have had discussions with FNS. FNS has not gotten back to us with their formal comments on these proposals.

In brief, however, they concurred with our conclusions, and with the general tenor of our proposed recommendations, but they were somewhat reticent about the details of what we are proposing. We understand that their formal comments will not be forthcoming until the end of this month.

With regard to the basis used to judge whether applicants are at nutritional risk, and therefore meet WIC eligibility requirements, the Service lets each WIC State agency establish and apply its own criteria within broad Service guidelines. Under this authority, State agencies have established their own criteria and associated standards relating to medical factors, such as anemia and high blood pressure, and to other more subjective factors, such as inadequate dietary patterns, inappropriate feeding practices, and prevention of regression to a previous risk condition. Program officials we talked with generally agreed that two factors in particular—inadequate dietary pattern and risk of regressing to a previous risk condition—are the least reliable as indices of nutritional risk, and have potential for variability and overuse.

Inadequate dietary pattern commonly relates to applicant reported information on what WIC certifiers judge to be inadequate consumption of important foods, unsound dietary habits, overconsumption of certain substances, such as fats and salts, and excessive caloric intake—conditions widespread in U.S. society.

Service dieticians and nutritionists, and many WIC State and local officials we talked with expressed misgivings about using the dietary pattern factor as the sole basis for certifying nutritional risk. Their concerns included the general imprecision of applicants recalling the specific foods they or their children ate in a preceding 24-hour period, and the incentive that applicants have to provide whatever information will enable them to obtain WIC benefits.

In the States we visited, the greatest reliance on this factor by the four clinics we checked in each State was 36 percent of the latest eligibility certifications, the least was 9 percent.

The other less reliable nutritional risk factor, risk of regression, does not relate to existing problems, but to previous conditions that might recur. Service guidance says that use of this factor should be limited, and that it is generally more important to serve those already at nutritional risk than those who may possibly revert to that status. Individually, the 20 clinics' use of the regression factor as a sole basis for certifying nutritional risk ranged from 0 to 15 percent of their latest eligibility certifications. Service nutritionists said that use of the regression factor must be watched to guard against overuse.

We also belive there is a need to refine and make more uniform other nutritional risk criteria for which different States have different standards for judging nutritional risk. Such standards include those related to anemia, frequent colds, age of adolescents, and smoking. We raised similar concerns in a 1979 report which pointed out that, because of differences in nutritional risk criteria and standards established by the States, a WIC applicant could be considered eligible in one State, but not in another, depending on the risk factor and standard applied—an inequitable situation.

The States we visited also varied in the amount of evidence they required to establish risk conditions such as frequent colds. Some simply accepted the applicant's word, others required documentation.

Our draft report points out that the Secretary should reappraise and restrict the use of certain subjectively determined risk factors—notably the inadequate dietary pattern and prevention of regression factors, require that uniform and soundly based risk standards be developed and consistently applied nationwide, and require that nutritional risk conditions be documented.

Senator BOSCHWITZ. That must be easier to do than is written down in a report.

Mr. CROWLEY. In some ways, yes. Which ones?

Senator BOSCHWITZ. Well, the last paragraph, which is somewhat of a summary, says:

> Secretary should reappraise and restrict the use of certain subjectively determined risk factors—notably the inadequate dietary pattern and prevention of re-

gression factors, require that uniform and soundly based risk standards be developed and . . . :

We will get to that.

Mr. Crowley. We have detailed recommendations in the draft report. What I tried to do is summarize here. The recommendations are that long [indicating], each one, and explain how to go about doing it and what factors need to be considered in developing each one.

Regarding income eligibility, the Service has not established specific guidance for documenting and verifying applicants' reported income and family size. State and local procedures in this regard varied and, in some cases, were not sufficient, in our opinion, to ensure that only income eligible individuals obtained WIC benefits. Most State and local agency officials we contacted agreed that the procedures need to be strengthened.

Applicants' income eligibility is automatic if they participate in other programs, such as the Food Stamp and Medicaid Programs, that are considered to have income limits and screening procedures at least as rigorous as WIC's. About one-third of the participants were automatically certified in this way at the clinics we visited. The others were certified on the basis of reported income—some of which was based solely on applicants' statements.

States' policies on obtaining and retaining income documentation also varied. At some of the local clinics we visited, the case files did not contain any income documentation; at others, most of the case files contained documentation. The accuracy and completeness of unsupported income information provided by applicants was rarely verified. In the case of family size, clinics generally relied on applicants' declarations, without requiring any documentation or verification.

Some State WIC officials that we talked with said that pregnant women should be counted as two persons to facilitate targeting to this highly vulnerable group during the prenatal period. According to Service guidance, however, a pregnant woman is to be counted as one person for income eligibility purposes.

Some proponents of counting a pregnant women as two persons give the example of a pregnant woman who is not eligible for WIC because of income, but who would become income eligible immediately after giving birth, due to increased family size at the same income level.

The proponents point out that by the time the infant is born, both the mother and infant may have health problems which might have been prevented or mitigated if the mother had been in WIC during pregnancy.

Our draft report points out that the Secretary should require documentation of the sources and amounts of WIC applicant income and family size, and have the Service specifically check on compliance with such requirements during its management evaluations.

Our draft report also states that the Service should first, study whether the unique health promotion emphasis of WIC and the enhanced potential for benefit from early WIC participation justifies differential treatment of pregnant women in determining family size under program income criteria, second, assess what impact such a change would have on program participation and caseload composition, and third, consult with pertinent congressional committees on any action that may be indicated.

Finally, our report deals with funding practices. Court directives on spending WIC funds, and legislative funding initiatives have caused spurts of rapid WIC Program growth and alternate periods of maintaining existing caseloads. These initiatives, combined with Service actions required by law to recover States' unspent WIC funds, and reallocate them to other States, have led to management and spending pressures that have worked against targeting and orderly, effective caseload management.

Local agency staff told us that when substantial growth funds become available and/or when fund reallocations provide additional funds, WIC frequently becomes "a numbers game" where the number of applicants enrolled becomes more important than their relative vulnerability and need for WIC.

State and local officials we talked with said that States should be permitted to carry over their unspent WIC funds, up to a certain limit, from one year to the next. Several Service management initiatives regarding how WIC funds are allocated to, and managed by, State and local agencies hold promise for improving the funding process and bringing more stability to the program's management.

As a way to bring greater stability and predictability to WIC Program funding, our draft report points out the need for the Secretary to propose legislation to eliminate the requirement for periodic recapture and reallocation of unused WIC funds, and to authorize State agencies to carry over their unspent WIC funds, up to a certain limit, to the next year.

In discussions of our draft report with Service officials, they agreed that we had identified some of the more important management issues facing the WIC Program. They concurred with our conclusions, and with the general tenor of our proposed recommendations. Service officials were somewhat reticent on the details of specific draft recommendations because they anticipated receipt of a final report on a major WIC evaluation, as well as other program evaluation research reports bearing on program management policy. They were of the opinion, however, that the descriptive statistics and general substance of the draft report and its proposed recommendations would be useful to the Department and the Congress.

This concludes my statement, Mr. Chairman. We will be glad to respond to any questions you may have.

Senator BOSCHWITZ. Are any of the witnesses who spoke on behalf of WIC earlier still in the room?

Mr. BLOUNT. Senator, I am present, Richard Blount, president of the National Association of State WIC Directors.

Senator BOSCHWITZ. Come up and sit down for just a second. I would like to have you comment on the report.

Under the WIC funding formula, the States are allocated their entire proportion of the WIC Program beginning in the fiscal year, and the USDA periodically checks to see if the States are using their allocations. If, however, it appears that the States will not use their entire allocations, a portion of the State's allocation is revoked and redistributed to other States. The system tends to reward States that aggressively spend their allocations, while penalizing those States that are more fiscally cautious.

The attached table demonstrates over 40 States forfeited some of their fiscal year 1983-84 allocations.

My question to you is, Did New Mexico forfeit any of its allocation?

Mr. BLOUNT. Senator, if that question is directed to me, I cannot give you a direct answer. I believe it would be on Mr. Boney's paper, if I am not mistaken.

Senator BOSCHWITZ. One could say New Mexico is rated first in the list of seeking out the people at greatest risk. They seem to have forfeited, or given back very little, so, one can achieve both objectives.

I must tell you, I thank you, Mr. Crowley. I find the report very interesting. And if you will stay, maybe we will have a little dialogue about it.

Would you please state your name again?

Mr. BLOUNT. Yes. I am Dick Blount. I am the director of the Missouri WIC Program, and president of the National Association of WIC Directors.

Senator BOSCHWITZ. You have been here before?

Mr. BLOUNT. Yes, I have, Senator, and I appreciate the opportunity to be back. I am glad that I stayed over, because I was very interested in hearing this, and appreciate your giving me the opportunity to be in a dialogue with the gentlemen here at the table with me.

You correct me, or stop me when I get too much involved in going forward. There are certain things I would like to say. My feeling, and I heard and read the report for the first time, as they were presenting it here this morning, my feeling is that there are basic assumptions and interpretations of the data that I think could lead to distortion and misunderstanding of what the real situation is out there.

I think the other quick feeling that I have about it is that it basically presents the States in a rather negative light. The numbers game type of language, the lack of targeting, and so forth, I would like to speak to that.

Senator BOSCHWITZ. Why don't you discuss the targeting?

Mr. BLOUNT. I will be happy to. I think the definition of the targeting itself, Senator, is a question that we probably need to talk about.

The National Association of State Directors, let me state, addressed this in the statement of concern last year. Targeting has to be defined, whether you are looking at a therapeutic, remedial type program, or whether you are looking at a preventive program, and it was testified during the early part of the morning, which I know these gentlemen also shared that testimony, and heard it, that WIC is basically intended by Congress to be a preventive program.

If you follow the targeting to the *n*th degree, with the money we have, we are really going to be addressing, not on a preventive basis, but we would be trying to do it on a therapeutic or remedial basis, which was not the original intent of the WIC Program.

The evidence also on targeting children is not in.

Senator Boschwitz. I must tell you I did not follow that line of reasoning. I understand that there are some preventive aspects, but are you suggesting that administrators of the WIC Program should not seek out the most needy?

Mr. Blount. No, sir. I appreciate your asking for clarification. As I have stated earlier, before your arrival this morning, Senator. The WIC directors very definitely support the priority system. We have, and we believe it ought to be continued. We believe that the priority system itself already does the type of defining that needs to be done, and the authorization for targeting is already there without changing the law at this particular point.

The concern that we have, and the concern that was testified to by some of the professionals this morning, including Dr. David Rush, who is doing the National Evaluation, Dr. Rush testified this morning that the evidence is not yet in on children. So we could be making a premature decision if we even considered cutting the children out of the program, and I mean, by children, those 2, 3, and 4 years old, that are now in the program.

Targeting is being done. As I say, I think there are some false assumptions or interpretations that may come from the way the report is written. In real practice, the States are targeting, and they are targeting all the time, even when the funding is more adequate. Certainly, as the funding becomes less available, then the targeting becomes more severe. But it is not a lack of targeting.

For instance, in my own State of Missouri, you speak of 47 or 48, 49, 52 percent. Missouri this last month had 53 percent of its participants in the women and infants category, and I think what you see is an increase on the part of——

Senator Boschwitz. I presume that all risk categories, one through six, include women and children.

Mr. Blount. A point for clarification. In the same way the gentlemen are using priorities here, the prenatal women, and infants, those that are in priority one. Infants, in priority two, as well as priority one. We are speaking now not of inadequate diets. We are speaking of nutritional risk based on medical type criteria.

When I speak of 53 percent, I am speaking of that highest of a high risk, I believe the same way the gentlemen have defined it in their own paper here. So I am comparing oranges with oranges, when I say Missouri was at 53 percent within this last month.

Another thing I would suggest——

Senator Boschwitz. Do these gentlemen wish to respond?

Mr. Crowley. I would like to respond.

You say all States are targeting. I will say some of them are. We have looked at five and we did find that two were. Two were taking active roles in targeting their programs, and we felt they were doing pretty well. We felt three were not.

Did you say they were all doing it, everyone of them out there?

Mr. Blount. I say they are targeting, because I go back again to the definition of targeting, the severity of targeting—you see, targeting would be to use the priority system as it was established, when the program was intended to be preventive, but included children, up through the age of four. By that we are serving only those people that come under the priorities, and the income guidelines, as such.

The severity of targeting is what I was referring to. I think what you were referring to is the severity of targeting that would limit priorities to prenatal and to the infants basically.

Mr. **Sargol.** We are not talking, sir, about not bringing children into the program, or not allowing children into the program.

Mr. **Blount.** I realize that.

Mr. **Sargol.** The targeting that is required now is only when agencies reach maximum caseload, when there is no money left to increase the size of the caseloads. That is what the Department means by the priority risk categories coming into play. We are talking about trying to set up advance systems, of trying to bring the most at-risk individuals into the program, trying to encourage folks to apply for the program when they are in the most vulnerable categories.

Senator **Boschwitz.** That is when you talk about the network.

Mr. **Blount.** I agree with you. I think a larger amount of States than what you sampled would indicate this. Let me give you specifics.

Remember, targeting, as we use it, is to target those under the priorities. Severity of targeting, is targeting which we do when funds are reduced radically.

Then we have another problem. For instance, again, you speak of the inadequate diet, and in your own testimony you indicated many State directors felt that should be used very cautiously. I think that if you would look at all of the States, that you would find a great deal of caution. You speak of the regression, and you spoke of the zero level, which I commend the Senator from Minnesota, that you were able to say that, about his own State.

I feel that Missouri can be a sister State to Minnesota. We have not even recognized regression as a nutrition risk.

So what I am suggesting here is that you do not need to change the legislation.

Mr. **Crowley.** Oh, no.

Mr. **Blount.** We are talking about reauthorization, and I am very cautious, I think, in reauthorization, or in writing legislation. You finally get so many administrative details of that type into law that you do not permit State's judgment, and that is why I think I said basically the States are seen in a negative light. You are not recognizing, I believe, adequately enough, that States are much more aware of, and are already doing things to correct procedures.

Again, let me address the universality that you speak of among risk criteria. The State directors, in their own association, share this type of concern. Just recently, as recently as the last few weeks, and even last week, in our conference, the executive committee of our national association indicated to Patrick Clerklin, a willingness to sit down and reason together as State managers and national managers, as to the credibility of the nutrition risk criteria from the standpoint of the public image.

We believe that our nutrition risk data is very solid. I believe oftentimes it is a matter of education, and education of the public, to understand the merit of the criteria. The thing that I am concerned about, is that we not create such tight restrictions that you destroy effective management. We can do these things together.

Mr. CROWLEY. If you go through my statement, there are not too many recommendations to the Congress. Most of the recommendations or proposals I have in my statement are to the Secretary of Agriculture. We had not recommended many changes in the law.

We agree with you that the kinds of things we are calling for in targeting can be done under existing legislation, and it is within the power of FNS to do that.

Mr. BLOUNT. My only statement is I believe it is being done now to a much larger degree than recognized. I am not just sure when this study was done. I am aware of your earlier study in 1979, which I also have read, and followed quite closely. I am simply trying to state to the committee, and share with you, that maybe we, like FNS, can agree with many of the concepts that you are talking about; but when you get to the bill of particulars, because of the use of language, you have to be very careful, that you do not give a distorted picture of what the real situation is.

You see, when you talk about targeting as not being done now, as presumed by the public, you are distorting the truth. I think you gentlemen do not want to do that. I think it would be a terrible distortion from the standpoint that people think there is no targeting, and anybody can just walk in, and that is not so. Even though those who come in under the seven priorities——

Senator BOSCHWITZ. I do not think anybody is making that claim.

Mr. BLOUNT. I apologize if I overstated that.

Senator BOSCHWITZ. To be blunt, Mr. Blount, I would be somewhat concerned about this report which shows that if you want to do it, you can do it. I must say in my State of Minnesota, apparently they are not trying hard enough, and we will take that up with them.

I wonder what—I will ask Chris. Have you read the testimony of Mr. Crowley, or have you read this report?

Ms. BOLTON. I have not. It had not been released previously. The reason they were asked to testify was because there is now a draft report.

Senator BOSCHWITZ. For the record, why don't you tell the reporter your full name?

Ms. BOLTON. Christina Bolton.

Senator BOSCHWITZ. Christina?

Ms. BOLTON. Yes.

We are glad that you were able to testify, because you have now completed the work. We are considering issues related to the program for reauthorization purposes. We are also aware that some States are doing a better job of targeting WIC benefits than others, and perhaps there can be some adjustments made here. However, I am not sure it should be done through legislation.

Mr. SARGOL. The only recommendation that we have for legislation is on the recapturing and reallocation of WIC funds, and on the carryover of WIC funds. Those would have to be done by law. The other recommendations pretty much can be done administratively.

Ms. BOLTON. Senator Dole, along with Senator Boschwitz, is planning to reintroduce an authorization bill dealing with these programs. Legislation was introduced last year in connection with the child nutrition program. It contains two provisions related to the issue we have been discussing with regard to yearend funding. One of the provisions would allow 2 percent of the funds to be carried over to the following fiscal year, if the States have not spent them, and there is another provision which would allow States to overspend, but this money would come out of next year's funds.

Senator BOSCHWITZ. In the event we have made a determination that targeting is important, and offhand I would make such a determination, perhaps the carryover can be related to how well they target.

Mr. SARGOL. That would give them an incentive to do that.

Senator BOSCHWITZ. Sure. Would you also state your name for the record?

Mr. BONEY. Tom Boney. I am on the committee staff and work with Senator Helms and other members of the committee.

We had heard, I guess, a prospective view from the General Accounting Office last year as they began this work, and then I had recently gotten a briefing on the report, which is very similar to the testimony.

Senator Helms has been very concerned about the targeting issue, Senator Boschwitz, and feels that while the GAO is correct, that much can be done under regulatory authority, that there is no way to get a State's attention like dealing with their money, and that the actual allocations to States in the future should be contingent upon making dramatic improvements in the targeting.

In other words, those States on your chart that are serving a heavy proportion of the lower priorities should not continue to get equal funding with States that are serving the higher priority categories.

An interesting correlation exists, and it is not in the GAO report, but something we looked at separately, that in the so-called equity States, those States which are needing to expand the program, because they maybe got into it later, and they are serving the higher priority categories, there is a high correlation between those States and the States that are losing their allocations in this carryover process. North Carolina is one, and from a parochial——

Senator BOSCHWITZ. Would you say what you just said again? I am not sure I understood that.

Mr. BONEY. In the current administrative formula there is a formula based on what is called equity States. It is a complicated definition, which I am not sure I fully understand, but basically, States which were maybe late in entering the program, are going to be given, according to USDA, a priority in the allocation process. Over time, a shift will occur so that these States get more of the national program than they have in the past versus stability States, those that got in earlier, that perhaps are serving a higher percentage of the eligible populations. Over time the objective is that the program shift toward a greater weighting toward the so-called equity States.

The difficulty with that approach is that it relies heavily on increases in appropriations, and by definition, stability is not going to occur if the pot of money nationally remains the same or declines.

So while Mr. Blount indicated they wanted to maintain the status quo in this existing formula, it is our strong feeling, and Senator Helms' feeling, that the formula needs to be based on the actual performance of targeting, not even just the objective. Many States have the objective Mr. Blount mentioned, of targeting, but the formula should be based on actual performance, the actual results at the end of the fiscal year, which is what that chart demonstrates. I think it was fiscal 1984.

Mr. CROWLEY. I think it is 1983.

Mr. SARGOL. October 1983.

Senator BOSCHWITZ. I do not want to draw a final conclusion after seeing the chart for the first time, but I think it is important, that the staff be careful when reauthorizing this bill, to make some form of reward or some form of emphasis to people who do things well. Having judged them from a distance, this should be an element of our renewal.

Mr. SARGOL. Senator, that is the substance of one of the recommendations that we have, that targeting the performance be made a part of funding decisions. We do not say how, but we do feel that would be a way to get attention.

Ms. BOLTON. I would like to hear about the feasibility of how that might be implemented.

Senator BOSCHWITZ. The targeting?

Ms. BOLTON. Right.

Senator BOSCHWITZ. Earlier in their testimony—perhaps you want to answer that.

Mr. SARGOL. You can just put a factor in there for a certain percentage of funds to go to a State based on the standing or ranking of the States in their targeting performance. We first believe that States need to propose what they might want to do regarding targeting, and then the agency should look at the data showing how well they have done relative to that standard—which should be a realistic one. It should not try to do everything overnight. And then you could eventually crank into the Service's stability/equity formulas some kind of recognition of targeting performance. It is something that will need to be gradually worked in.

Mr. BONEY. Senator Boschwitz, could I add another issue?

There is the targeting, and it is important. It is the pregnant women, breastfeeding women and infants, and also that their participation in the program is based on a medical determination of need, as pointed out in the GAO testimony, rather than these more subjective factors that vary a great deal.

I am glad to hear that Missouri does not use the regression, or the possibility for regression, but as mentioned, that is a factor in the five States surveyed, and certainly in many other States that allow participation by those who are at the lowest possible verifiable risk, and it is the verifiable risk that Senator Helms is particularly interested in.

Senator BOSCHWITZ. Do I understand from the testimony of these gentlemen that these standards, or the criteria of nutritional risk, are not uniform?

Mr. CROWLEY. They are not. Every State has its own.

Mr. BLOUNT. May I speak to that, Senator.

Too much rigidity, I think, defeats the purpose of this being an adjunct to public health. You have got to remember that when your States develop criteria they are looking at the risk criteria in relation to, as I think they ought to, other medical criteria governing maternal and child health programs within that State. We feel it would be a tragic mistake to separate WIC from the arena of public health, in which its services are provided. If WIC begins to establish a universal risk criteria, that would not be compatible always with the State agency's health criteria, then you are increasing the hardship and the complexity of the program management.

Chris asked if it is possible sometimes to do that. You are also increasing the cost of administration. I guess I want to say also that the thing I realize——

Senator BOSCHWITZ. What do you think of what Mr. Blount has said?

Ms. BOLTON. I think it is a very difficult situation. On the one hand, I think some States could target program benefits better than they are doing, but, on the other hand, I just do not think you want to tie the States into a rigid system by actually writing it into law. I think it can be handled through other means—through regulations—and we should explore this. There is a concern, since the program only serves one-third of the eligible population, that the limited available program funds ought to be going to those most in need.

Senator BOSCHWITZ. What differences exist from State to State?

Mr. LOWRY. If I could comment, to give you one example, we speak in our report about the factor of smoking as a risk for pregnant women in particular, also derivative eligibility has been established for breastfeeding women and other postpartum women. We question why, for example, standards of risk that admit a person to the program should vary from State to State from even one cigarette smoked per day, to half a pack of cigarettes smoked, to one pack of cigarettes smoked a day.

One of the things that seems to us, and to those we have spoken to, is that it is very important in WIC, which is a nationwide program where numerous attempts have been made to evaluate the effectiveness of the program, that there be consistent standards and uniform application of risk factors to provide the certainty that is necessary for nationwide evaluation of effectiveness.

When you have this kind of diversity of risk factors, you are not controlling the relevant variables, it seems to us.

Senator BOSCHWITZ. What are the differences in State programs that would in some way be a disadvantage by having a more uniform Federal standard?

Mr. LOWRY. In the case of this particular factor, I cannot think of a single one.

Senator BOSCHWITZ. Forget about smoking just for a moment.

Mr. Blount seems to indicate that there are some States that have some programs that complement WIC, while other States do not have those programs. At least that is the implication from his testimony. And, therefore, WIC should not be established on rigid standards, that go from State to State, because rigid standards cannot accommodate the varying State programs.

What are those programs that vary from State to State, that should be influential in our considering whether or not there should be a more rigid national standard?

Mr. Lowry. I am afraid that what this comes down to basically to is simply differences of opinion held by the people who administer the program from State to State. They prefer to retain their prerogatives to decide what is important.

Mr. Blount. I would agree with that in part, but I would say it is a difference of professional opinion. I think we all would agree it is not an exact science, that we know right now what the right answer is.

If you look at the matter of nonmedical things, such as income eligibility, in some programs with various States you have a different income to determine whether you could be eligible for participation in a prenatal clinic. If it is different from that of the WIC, they might find themselves unable to participate, because they could go to the prenatal clinic, but they could not get the WIC participation, because there are two different standards.

I think I would agree with the gentleman immediately across from me (indicating Mr. Sargol), when he said we need to be careful that we do not try to jump into something like this overnight. It has to be developed.

I would again want to disagree with my friend, Tom, to my right a little bit. I think States do give their attention without having their purse cut off, and I know Tom did not mean that quite as harsh as it was said. The proverbial 2 by 4 between the eyes, does not make him that radical. I am going to give him the benefit of the doubt, Senator.

Senator Boschwitz. Listen, I must tell you, do not give him the benefit of the doubt.

Mr. Bount. I should infer that my back should not be——

Senator Boschwitz. Do not interrupt the Senator. He has brought up some interesting points that should not be laid aside by any means.

Let me ask the people from the GAO, what are the differences? Take Minnesota. Minnesota has a third of its people in categories one and two.

Tell me what the State of Washington, and Oregon, and New Mexico and Oklahoma, are doing that we are not doing?

Mr. Crowley. We did not include all of those in our review. Minnesota, California, Nevada, and Illinois.

Senator Boschwitz. California is up there.

Mr. Crowley. Our report has numerous statistics on all of their programs on nutritional risk.

Senator Boschwitz. What are they doing better. They are presumably getting people in column one and column two. We should conclude that that is a better result than having them over there. Would you agree with that?

Ms. Bolton. They are a greater health risk, or nutritional risk.

Senator Boschwitz. What are they doing in California?

Mr. Sargol. In California, for example, they are giving special consideration to pregnant women. In California, a pregnant woman is counted as two people, and that affects program targeting, and so California is one of the States which has a little higher targeting record.

Mr. Sargol. Senator, I can give an example of something Minnesota is doing to improve its targeting, even though in terms of the dietary factor it might not be doing as well as some of the other States. As a matter of State policy they have decided to restrict very heavily the use of the risk of regression factor.

At the four local agencies that we visited, there were no participants certified on the basis of the risk of regressing to a previous nutritional risk state. On inadequate dietary patterns, they were about in the middle of all the States.

Mr. BLOUNT. I think another thing you may have discovered and, I know you would in Missouri, even the States that use the inadequate diet as a nutrition risk factor, are limiting it now more than they did even a year ago. They are also limiting it so that there cannot be more than one recertification on inadequate diet. If they have not, by that time, shown some improvement, there cannot be a recertification using the risk perpetually through the certification period. This suggests what I think you are saying, sir, that we have to move, and we are moving toward that type of situation.

I want to again suggest, though, that we need to be cautious, in my opinion, that we do not do radical surgery, simply because we see a symptom that may look like it is going to become bad. Six years ago I had bypass surgery, for which I am very grateful. However, I would not have wanted someone to do a heart transplant on me because of the symptoms I had. At the time, they thought bypass surgery was the way to correct my problem. Six years later I am not sure but what medication may have done it, and if I talked to some of the people who are practicing today, probably a change in diet and exercise would have done it.

What I am suggesting to you, sir, is to be cautious. Rather than for us to see what seems to be a symptomatic problem, them go in and do a radical type surgery, even on program practices. I think it is far better that the experts, and I mean by that, FNS and the State program directors together, should sit down and have an opportunity to plan how they can do this more effectively. That commitment has already been made between the State directors and FNS.

Ms. BOLTON. Given the results of the GAO study, what I would suggest is that the committee put in report language that they will expect new regulations to be promulgated to achieve these goals. This way, rather than actually having language in the law, the USDA would have to work with the State directors, to come up with some kind of uniform criteria. That might alleviate the problem.

Mr. SARGOL. We support that 100 percent. In fact, in our actual recommendation, we say to consult with medical authorities and competent professional bodies in and out of government, including the World Health Organization, the Department of Health and Human Services, the American Academy of Pediatrics, and the American College of Ostetricians and Gynecologists, in developing uniform standards of risk.

So we do not believe you should just go out and say, hey, this is it. Rather, this is going to be something that will have to be worked out. You will have to bring a lot of folks into a dialog. But eventually, you know, work toward that goal. We recommended that same thing in our 1979 report, and we were told it was a little premature to do something. This is 1985, and it is still premature, apparently.

Ms. **Bolton**. We are very interested in targeting benefits to the best extent we can. Sometimes we have a tendency to be complacent with the WIC Program, because it is the most cost-effective and efficient nutrition program we have. It can be improved. Just because it is a great program, that doesn't mean it cannot be improved.

Senator **Boschwitz**. I also agree with that statement. Let me ask a question.

You've done caseload by priority risk. Have you also done a percentage of caseload by percentage of poverty?

Mr. **Lowry**. From the sample data, but not programwide.

Senator **Boschwitz**. You have five States. Let us say we divide people into several income levels. What was the percentage of poverty in those five States you looked at?

Mr. **Sargol**. Most are under 100 percent of poverty. The income criteria goes up to 185 percent of poverty. Most of the people were at 100 percent of poverty or under.

Senator **Boschwitz**. Do we give any emphasis and should we give some emphasis to the States seeking out people at lower levels of poverty, sinces we understand that only one-third of those eligible are serviced by the WIC Program?

Mr. **Sargol**. In our discussions with program folks and medical people, income was not considered to be a particularly good basis for targeting.

Ms. **Bolton**. I think the program is targeted from an income perspective, and States, again, do have various standards that they set, coupled with the health risk factors involved. However, the eligibility criteria at the State level from an income perspective may be anything under 185 percent of poverty, which includes low income guidelines, as determined by the Food Stamp Program, which is 130 percent of poverty, as well as the working poor, which would fit the category of 130 to 185 percent. There may be changes that could be made to improve targething both with regard to health risk and income criteria.

Senator **Boschwitz**. Should we reduce this to 135 percent of poverty?

Ms. **Bolton**. I do not think so, because often there may be people that fall into the category of between 130 and 185 percent of poverty who might be at extreme health risk.

Mr. **Sargol**. They might have a tough go because they are not eligible for some of these other programs.

The one thing that I would like to point out, though, is that there is not a very good verification of WIC income eligibility.

Senator **Boschwitz**. You said that in here.

Mr. **Sargol**. So when we say that most of the WIC participants are at 100 percent of poverty or less, we are talking about what is stated in the case files, which is often unverified.

Senator **Boschwitz**. Should we have more uniform methods of verification?

Mr. **Sargol**. There should be required documentation of income.

Senator **Boschwitz**. When we were over in one of Minnesota's county offices and looked through some files, we saw a great deal of paperwork collected on these folks. I understand that they have to prepare and submit it in the case of food stamps monthly.

Is that the same here?

Mr. SARGOL. No. They just have to do this every 6 months, be certified every 6 months. With pregnant women it is a little longer.

Senator BOSCHWITZ. Should we have tougher standards?

Mr. SARGOL. No. All we are talking about is making sure whatever standards you have are being complied with, and right now there is no such assurance.

Mr. BONEY. I think, if I understood part of it, in other words, what he is talking about is the documentation, the verification of the income that is furnished. If they are on other programs, such as food stamps, we are basically accepting that food stamp eligibility as sufficient to qualify them for WIC.

The problem we have is one of verification about the income. Those above 130, and under 185, therefore, are not eligible for food stamps, and may be declaring their income to the WIC office, yet in some of the States, in GAO's study, there was no verification of the income in those cases. They basically took a self-declaration of the recipient.

As I recall a lot of the States do not require Social Security numbers for participants. So there were not even minimal protections to be able to check on the documentation of the person's need for this program.

Senator BOSCHWITZ. Do you believe we should decrease the income eligibility to the food stamp level? Does Senator Helms?

Mr. BONEY. I do not believe Senator Helms has taken a position on that. His view is the program ought to be targeted to those below poverty in any of the programs, and I think the point he made is that it gets back to the GAO target point, that no person below poverty who is eligible for the WIC Program should be denied eligibility, or put on a waiting list, or otherwise held off the program while a person of lesser priority—higher income, lesser nutritional or medical need—is on the program.

In other words, the program should be targeted to be available to those at the lowest ends of the income and medical need.

Senator BOSCHWITZ. We are going to go into closing statements, if there are any, and then we are going to have lunch. Do you have any closing comments?

Mr. CROWLEY. I thought you would leave me for last.

Senator BOSCHWITZ. You can go last, if you prefer. I find it very interesting. I must say that I do not recall your 1979 report, and maybe I was here and it passed me by a little bit, but there is so much that passes by. Indeed, a lot of it does pass all of us by. But I think your report is a valuable one and can be utilized, to make the WIC Program better. Perhaps we can do it through report language, that instructs or tells, or asks, or whatever the proper word is, the FNS to come up with new regulations.

Mr. SARGOL. I think the Food and Nutrition Service folks told us that they have just come out with regulations, but these regulations are basically a reorganization, as we see it, of what they had before, and some of the things that we are talking about in our report and this testimony are not in those regulations.

Senator BOSCHWITZ. As one Senator, I think it would be helpful if you gentlemen, who have spent a great deal of time looking at this, would observe our efforts at correcting these things. You should advise the committee whether or not you feel they are adequate. It may well be that we disagree with you.

Mr. SARGOL. I think it would help. You will know what we think, anyway.

Senator BOSCHWITZ. We will know what you think, and it would be valuable to have continuing dialog, or continuing input. This is a big program, $1½ billion.

I agree with Chris that, indeed, it is a program that has been successful, particularly when measured against others. That does not mean, however, that it cannot be further improved.

Anything else?

I appreciate all of you coming. I withdraw my earlier remarks about that.

Mr. BONEY. Could I comment?

One thing, certainly the prospect is good, I think, with the report language in the committee, that the USDA could work on these definitional issues that are in the nutritional risk section of the report. Some of the other issues, targeting, carryover issues, the income verification, some of it they can do with their current authority, but other aspects either probably will need legislative authority, or in the case of the carryover, GAO indicates it definitely needs legislative authority.

Senator BOSCHWITZ. Anything else?

Mr. Blount, anything else?

Mr. BLOUNT. Senator, the only thing I want to say in closing is that I know all of us want to keep in mind the difference between the WIC Program, as a preventive health program, and other income maintenance type programs.

If I may again refer simply to the remarks that some of the directors may have said that income is not that significant, that is not to preclude that income is not a factor.

You yourself indicated that most people were under 100 percent. I agree. But remember a person who is under 100 percent, who does not have a risk factor, still would not be eligible for the program. So what we are really saying is that the most significant thing with any participant is a health risk that represents a health problem.

Senator BOSCHWITZ. Anyone else?

Ms. BOLTON. No, sir.

Senator BOSCHWITZ. I thank the witnesses, and I thank the GAO. I think the report is a valuable one, and I will see that our staff utilizes it in coming up with new regulations.

[Whereupon, at 12:55 p.m., the subcommittee adjourned, subject to the call of the Chair.]

APPENDIX

STATEMENT OF HON. BOB DOLE
A U.S. SENATOR FROM KANSAS

This year, the Subcommittee on Nutrition faces not only the reauthorization of the Food Stamp Program, in conjunction with the 1985 farm bill, but also the reauthorization of all of the nonentitlement child nutrition programs, including WIC, the Commodity Supplemental Food Program (CSFP), and the Temporary Emergency Food Assistance Program, now commonly referred to as TEFAP. This is the third subcommittee hearing to be held this session.

WIC Program Reauthorization

Our first witnesses will testify on the effectiveness of the WIC program, and changes that they would recommend to improve one of the most popular programs in the Congress. Just recently, OMB requested the additional $76 million necessary to fund this program at a current services level of 3.1 million participants for fiscal year 1985. Although, time and time again, this program has demonstrated its cost effectiveness, we are still not at a point in deficit reduction efforts, where we can afford to expand this one-third of the eligible population. However, this estimate is based on income criteria, and not health risk assessment--a fact that we should keep in mind in our deliberations.

WIC's Great Track Record

As this audience is certainly aware, the WIC program has become perhaps the most popular bipartisan program in the entire Congress. Among Federal nutrition programs, it's reputation is well-deserved. WIC is a true nutrition program, whose benefits are tailored to meet the special nutrition needs of the recipients it serves. Evaluation studies indicate that the WIC program has been cost effective in both health and dollar terms. The most frequently quoted study done by the Harvard School of Public Health found that each $1 spent in the prenatal component of WIC saves $3 in medical costs due to the reduced number of low birthweight infants requiring expensive neonatal care.

Members of both sides of the aisle are well aware of the tremendous track record this program has maintained. It speaks very highly of WIC, that, at a time when other Federal nutrition programs were undergoing significant budget reductions, the WIC program was allowed to expand. The number of low-income women, infants, and children participating in the WIC program has grown from 2.1 million in 1981 to 3.1 million in 1985. Back in 1981, the Federal Government invested about $890 million in WIC, and we are now spending about $1.5 billion on this very worthwhile program.

Major WIC Evaluation Completed

We are privileged to have with us here today, Dr. David Rush, who has just recently completed the first national WIC evaluation study for the USDA. The results of this study will be most helpful as we proceed in committee to deal with changes that should be made to improve an already successful program in the reauthorization process.

As Chairman of the Subcommittee on Nutrition, I plan to introduce a child nutrition reauthorization bill that will include comprehensive changes for the WIC program. I have been waiting to hear what Dr. Rush has to say, before this legislation is introduced, so that recommendations he may have can be included.

CSFP and TEFAP Reauthorization

On May 15, I introduced the Domestic Food Assistance Act of 1985, along with Senators Boschwitz, Leahy, Andrews, Danforth, and Hatfield. This bipartisan effort includes provisions to reauthorize both the Commodity Supplemental Food Program and the Temporary Emergency Food Assistance Program for four years. Both of these programs will be dealt with in conjunction with the Food Stamp Program and farm bill reauthorization.

Over the years, the Commodity Supplemental Food Program has provided complimentary services to the WIC program, and has filled a valuable need among the elderly in areas where this program exists. Focus: Hope in Detroit and the Project in New Orleans are perhaps the most well known, but there are many smaller pilot projects throughout this country that provide valuable assistance to those in need of food.

The Temporary Food Assistance Program is one in which I have a special interest--you may recall it began with a Dole-Hatfield amendment to the jobs bill in 1983. Economic times were hard, and unemployment was high. I later introduced legislation to continue what was intended to be a very temporary program for another 2 years.

This program expires at the end of fiscal year 1985, and it is time to evaluate the effectiveness of the program and to determine if it should be continued. S. 1142 would reauthorize this program for another 4 years. Although the economy has since improved, there continue to be many areas in the country which have not yet shared in our general economic recovery. For this reason, I believe we should reauthorize the program, even though it was not my intention to create a new permanent program.

STATEMENT OF HON. RUDY BOSCHWITZ
A U.S. SENATOR FROM MINNESOTA

I am pleased to be at these Nutrition Subcommittee hearings on child nutrition. Although the Senate Agriculture Committee has a full agenda this year, I feel it is important we fulfill our responsibilities to all the programs due to be reauthorized this year, including the nutrition programs.

The child nutrition programs which must be reauthorized include the Women, Infant, and Children Special Supplemental Food Program, the Summer Food Program, the Senate Administrative Expense Program, the Commodity Distribution Program, and the Nutrition Education and Training Program.

We also must reauthorize Food Stamps, the Commodity Supplemental Food Program, and the Temporary Emergency Food Assistance Program. Today we will focus on WIC, CSFP, and the Temporary Emergency Food Assistance Program.

As a member of the Senate Agriculture Committee, I joined the Nutrition Subcommittee in 1983 because of my growing interest and concern about the issues of nutrition and hunger and the Federal role in addressing the problems of alleviating hunger. I came to the Senate on the promise of controlling the growth of Federal spending. We are faced with the difficult task of restraining the growth of the Federal budget to ensure our children and grandchildren are not left with a legacy of debt, while at the same time seeking to ensure that those truly in need of Federal nutrition assistance receive help.

The programs we will be discussing today, particularly WIC, are part of the cornerstone in our efforts to help people to be healthy, productive citizens who contribute to our society.

STATEMENT OF C. RICHARD BLOUNT
PRESIDENT, THE NATIONAL ASSOCIATION OF WIC DIRECTORS

Mr. Chairman, Senators.

My name is C. Richard Blount. I am president of the National Association of WIC Directors. I have been the director of the Missouri WIC Program since 1976.

I appreciate the opportunity to appear before this commitee again. During my previous appearances I always sought to affirm the merits of the WIC Program. Today I do not feel that is necessary.

You, Mr. Chairman, best affirmed those merits through your June 5 newsrelease when you applauded the release of the $76.4 million that had been withheld from the fiscal year 1985 allocations to the state and Indian agencies by OMB/USDA.

The National Association of WIC Directors deeply appreciates your statement that "The WIC Program is one of the most cost-effective federal programs in existence." Though we as directors, like most all citizens today, are deeply concerned about deficits, we earnestly agree with you that adequate funding of the WIC Program "...is a sound investment of federal funds that saves billions of dollars in health expenditures by preventive intervention." Again, we concur with you that "WIC has an unbeatable track record as a federal nutrition program." Many studies, the expert testimony of numerous professionals and the endorsement of hundreds of agencies have together presented a most formidable case in support of the WIC Program. Our own Missouri study of 6560 prenatal participants active in the program during 1980 matched with their offsprings' birth certificates, cited by the GAO as one of the best studies in the nation, documented that: "For both nonwhite and white participants, the low birthweight rates were less than one-half of the rates for comparable non-WIC mothers."

This is particularly significant since low birthweight is a major determinant of infant mortality in our country.

Your personal statements and the almost unanimous support of the Senate and the House in your recent expressions of the intent of Congress to ensure that WIC received its full fiscal year 1985 appropriation has convinced me that I no longer have to argue the merits of the WIC Program before this body of caring lawmakers.

On behalf of the Association and the more than 3 million women, infants and children we serve each month, I express our deepest gratitude for your own most effective affirmation of the Program--your commitment to and the determination that the appropriation you intended be fully utilized to meet the needs of those nutritionally at risk.

Acknowledging your commitment to the Program, I would like to take just a few moments to share with you some of the concerns of the Association regarding reauthorization legislation. We have been totally convinced that program management should never again be subjected to the perils it has confronted so needlessly during this current fiscal year. We are confident that the Congress shares this conviction with us. The importance of sound reauthorization legislation clearly thought through and applied cannot be overstated.

During a hearing before this committee on April 9, 1984, I presented a "Statement of Concerns" prepared by the Association addressing the issues of reauthorization being discussed at the time. The Association feels that the statement of principles it made then is equally relevant today with the exception of minor editorial changes in dates and numbers. Basically, only the seventh recommendation which applied to special supplemental funding for that year has lost its validity. I commend the other nine recommendations to you for your current consideration.

Though I will not reiterate each of the recommendations, there are at least four which I wish to give renewed emphasis and clarification.

1. The special supplemental food program for women, infants, and children should be given permanent authorization.

The disruption of sound program planning during this current year and the related negative anxieties caused by uncertainities of true program commitment has demonstrated how important administrative continuity is to effective program management. The wisdom of the Association's position and rationale last year on permanent authorization has been reaffirmed by the costly chaos of this year's month-to-month management.

2. There should be no targeting of program benefits beyond the new Federal regulations issued February 13, 1985.

The Association has continually supported a priority system in targeting program benefits. Though the new regulations issued February 13, 1985 did not follow exactly the basic recommendations previously made by the Association, the revisions that were made reflected the primary concerns of the majority of WIC directors. A state's right to be even more definitive in addressing the needs of the highest risk is clearly provided for in the new regualtions. The State agency may set income or other sub-priority levels within any of the seven stated priorities. Thus, there is no further need of targeting program benefits in the reauthorizaton legislation.

3. The fiscal year 1986 appropriation should be sufficient to allow a 10-15 percent increase in WIC caseloads.

We recognize this recommendation as being one of the more controversial issues in lieu of the continuing deficit problems confronting our nation's economy. Yet, in light of what we have already affirmed together, that an investment in WIC "...is a sound investment of federal funds that saves billions of dollars in health expenditures by preventive intervention." we believe that we as state agency directors would be irresponsible if we failed to emphasize the great need for expansion of the Program in an orderly, reasonable manner during the next few years.

I would like to clarify my own concept of orderly, reasonable growth. Maybe surprisedly to some, I personally do not advocate that WIC become a true entitlement program in the immediate future. It is not because I do not feel entitlement based on need is justified when we recognize that today we serve only about one out of three who are potentially eligible. Rather, it is total health care system. Therefore, to maintain the quality program we desire we cannot too quickly exceed the capacity of the established health care system to deliver the quality of benefits our clients deserve. However, the inadequacy of health care delivery systems should not be a permanent limit to WIC's necessary expansion--both should be expanded to achieve the best interest of our citizens' good health.

Even though we recognize that the immediate growth shall be limited by fiscal realities, we believe that the fiscal year 1986 appropriation should be absolutely no less than the $1,569 billion projected by the Congressional Budget Office to maintain current caseload levels throughout fiscal year 1986.

4. Authorization for end-of-year funding flexibility, not exceeding 3 percent, should be granted to permit the most effective management and utilization of total funds.

The Association recommended such flexibility last year as a means to enhance effective program management. It does not wish to encourage or reward either overspending nor underspending of funds allocated to Stated agencies.

There has apparently been some misunderstanding of the Association's position. I would like therefore to state it more clearly if I can. A State agency should deliberately plan to utilize 100 percent of its total allocation to ensure maximum delivery of program benefits--no more nor no less. However, due to many uncontrollable variables it may slightly overspend or underspend. If it were to overspend within the allowable margin, that amount overspend would be taken from the following fiscal year's allocation. This action would reduce the following year's funding denying the state any reward for overspending and would prevent creeping expansion through overspending. On the other hand if a state underspent within the allowable margin, their next year's grant would not be reduced. However, the unspent funds during the year would be utilized by USDA to meet the needs of those programs demonstrating unmet needs and an ability to meet the need if funds were available. To let the unspent funds accrue to the state would provide a reward for under-utilization of funds in any given year as well as cause a possible misinterpretation as to the adequacy of funding which could lead to unwarranted reductions in future funding. Thus, the Association opposes any "carry over" of funds by an underspending state and any reward to an overspending state. It simply recommends a system that would permit a state to maximize the use of its federal funds without undue risk where there are no state authorized general revenue funds to provide coverage of even the smallest overspent amounts.

We ask you to consider these recommendations and those within our "Statement of Concerns" as you develop reauthorization legislation.

We have all learned our lessons as to the importance of sound legislation and management. May I assure you that in gratitude for such legislation recognizing the merits of the WIC Program, we as state agency directors will commit ourselves to the highest quality of responsible program management.

I would be happy to respond to questions.

Thank you.

STATEMENT OF ALVIN M. MAUER, M.D.
AMERICAN ACADEMY OF PEDIATRICS

Mr. Chairman and members of the subcommittee, I am Dr. Alvin Mauer, chairman of the Committee on Nutrition of the American Academy of Pediatrics and professor of medicine and pediatrics at the University of Tennessee, Center for Health Sciences. I am pleased to be here today to comment on the Supplemental Feeding Program for Women, Infants and Children (WIC).

The Academy has had a longstanding interest and involvement in WIC. Much has been accomplished since the early nutritional surveys of the late 1960's, yet much remains to be done.

Over the past decade, the WIC program has become one of the largest nutrition programs, exceeded at present only by the Food Stamp Program and the School Nutrition Program. With a budget of $1.5 billion for fiscal year 1985, it is indeed appropriate for this committee to review its effectiveness. The initial legislation required an evaluation component and this need has continued. However, it must be recognized that evaluating food supplementation programs is a complex matter. There are no definitive studies available at this time, yet there are many credible indicators that the WIC program has been at least partially effective in addressing the nutritional problems found in the late 1960's and early 1970's. The Congressional Budget Office has provided testimony that the WIC program was effective in reducing the incidence of low birthweight among infants, the major determinant of infant mortality in the United States.

Other studies support this. A recent study by Miller, et al. evaluated the impact of the WIC program on the iron status of infants, and the results suggest that participation in WIC will help limit the development of iron depletion or iron deficiency anemia in young children, an important consideration in view of the data which show that iron deficiency is detrimental to a child's intellectual development. Pearson and Windom have reported their observations on the beneficial impact that participation in the WIC program had on hemoglobin status of inner-city, preschool-aged children in New Haven. Zee, et al. completed a study of the nutritional improvements of poor urban preschool children, comparing data from 1977 with those from 1983. They conclude that in view of the lower incomes and higher unemployment rates of 1983, the food assistance programs assumed an even greater importance in support of the children's improved nutritional status.

It is also important to use the results of the most recent General Accounting Office (GAO) survey of studies evaluating the WIC program. As this GAO report indicates, if one looks at the results of the Centers for Disease Control and the Edozien studies, there is a decrease in the prevalence of anemia in children who participate in the WIC program.

According to the recently released study, "Children in Poverty," children are now the poorest age group in this nation. The incidence of poverty among children has climbed more than 50 percent from 1973-1983, reaching the highest levels since the mid-1960's. It is unthinkable to return to the undernutrition that was present at that time. We believe the WIC program can be a critical factor in preventing that from occurring, and thus strongly support its continuation.

The adage "If it ain't broke, don't fix it," does apply here. The "fix" in this case is money. With limited dollars, priorities must be made. These are indeed hard choices. But as we look to the future, this program must continue to grow. CBO estimates that the current program serves only about one-third of all income-eligible women, one-half of all income-eligible infants and one-fifth of all income-eligible children. While data are not specific as to the proportion that meets the nutritional-risk criterion, we know this population is out there. And we know the impact of inadequate nutrition. This is our challenge and our responsibility as a nation.

STATEMENT OF DAVID M. PAIGE, M.D., M.P.H.
MATERNAL AND CHILD HEALTH
JOHNS HOPKINS UNIVERSITY SCHOOL OF HYGIENE AND PUBLIC HEALTH

Mr. Chairman, members of the Committee, I am Dr. David M. Paige, Professor of Maternal and Child Health at the Johns Hopkins University School of Hygiene and Public Health with a Joint Appointment in Pediatrics at the Johns Hopkins Hospital. I appreciate the opportunity of appearing before the Committee to express my strong endorsement of the U.S. Department of Agriculture Supplemental Feeding Program (W.I.C.) and speak in favor of the reauthorization of the program.

Maternal Nutrition

Program Justification

The objective of targeting food assistance as a complement to health care to high risk, low income populations of women, infants and children remains as important today as it was in 1972 when the Senate Agriculture Committee first held hearings on the WIC program.

Differential patterns continue to exist in the outcome of pregnancy between high and low socioeconomic groups as well as white and black women. Approximately 7 percent of all births in the United States are of low birth weight. The incidence of LBW in black infants is 12.4 percent, and in white infants 5.6 percent. In addition, almost 17 percent of black infants are premature, born before 37 week of gestation. The number of white premature infants is 7.7 percent. Further, the incidence of prematurity is more than twice as likely to occur to a mother who is young, poorly educated, with a short pregnancy interval, and not effectively utilizing prenatal services. In the absence of prenatal care the percentage of premature infants born to black women climbs to 31.2 percent, almost double the figure of 16.3 percent seen in women with some prenatal care. The figure in white women with no prenatal care is 22 percent.

Clearly the biosocial determinants of pregnancy continue to influence its outcome. In 1982, 248,000 low birth weight infants were born in the United States. In that same year, over 28,000 infants less than 28 days of age died. The majority of these deaths as well as those neonates requiring extended hospitalization resulted from LBW as a consequence of poor fetal growth.

Those who have argued that these adverse outcomes are not responsive to nutrition and health intervention strategies because they represent genetic and/or racial factors rather than environmental and social causes are mistaken. In fact, the median weight of black infants born before 36 weeks of gestation is about 60 grams more than that of white infants. Nevertheless, the pattern reverses itself in the final month of pregnancy. At term black infants weight an average of 200 grams less than white infants. It appears that fetal growth falters in late pregnancy despite initial parity or slight advantage. Growth faltering occurs at a time when fetal growth is at a maximum. Caloric demand is greatest, fat stores are increasing rapidly, and full maternal energy and nutrient reserves are required to meet these surging demands. The same pattern is seen in LBW white infants. As a result it has been hypothesized that social disadvantage may be the critical factor in explaining weight differences at birth. In fact several studies have shown a relationship between growth retardation in late pregnancy and adverse social or environmental conditions.

The effect of the WIC program on birth weight

Clearly prematurity and LBW are major health problems during pregnancy. Does the WIC Program make a difference? The Senate commissioned 1984 GAO report cites a number of scientifically credible studies demonstrating the effect of the WIC program in lowering the percentage of low birth weight infants and increasing mean birth weight. Associated with these findings is evidence that maternal nutrition during the course of the pregnancy is improved. There are reports of a better diet, increased weight and higher blood iron levels.

Specifically, the GAO report concludes that the percentage of WIC mothers with LBW infants was 7.9 percent compared to 9.5 percent in non-WIC mothers. The report further states that "this translates into the positive finding that in the six studies, the proportion of infants who are "at risk" at birth because of low birth weight decreased as much as 20 percent." The projected reduction will result in 49,620 fewer low birth weight infants being born, approximately 5,000 fewer neonatal deaths and an estimated savings of $900 million or more in extended hospital care cost for a majority of the survivors. This figure is based on the 1985 Institute of Medicine report citing an average approximate hospital cost of $20,000 for a low birth weight infant in Michigan. The same study points out that the cost of care jumps to $62,000 for low birth weight infants born at less than 35 weeks gestation.

The GAO report also notes that the average birth weight of WIC participants is increased 49.6 grams. Our own study of pregnant adolescents provided with a daily supplement of calories, indicates a significant mean birth weight increase of 57 grams compared to similarly matched nonsupplemented pregnant teenagers. Further, the number of low birth weight infants was 9.0 percent in the supplemented group compared to 16.5 percent in the nonsupplemented teenagers. The caloric supplement had its greatest impact in the youngest women who smoked during their pregnancy.

High risk women

The WIC program effect on women at greatest risk is noted in the GAO report and underscored by Dr. Paul R. Silverman's Doctoral Thesis completed in 1982 at the University of Pittsburgh. Results indicated that women enrolled in maternal and infant care projects after the introduction of the WIC program in 1974 demonstrated significant improvement in birth weight compared to women enrolled in this prenatal project prior to the introduction of WIC (2189g vs. 2095g, p001). A significant decrease in the percentage of low birth weight newborns was also seen after and before WIC (9.7 percent vs. 13.0 percent, p.02).

The study concludes that the effect of the WIC program on birth weight in more than 2,500 pregnant women studies was not randomly distributed, but greatly dependent on maternal characteristics. These effects were greatest in woemn who were nonwhite, entered the pregnancy at a body weight less than 121 pounds, and younger or older in age. Kennedy and Kotelchuck reported that not only was overall participation in WIC associated with a 107 gram increase in mean birth weight and a 4.0 percent decrease in low birth weight; but teenage Black, and Hispanic women showed the greatest program benefits.

Program benefits

Major effects of the WIC program are an increase in birthweight, decrease in low birth weight, increase in gestational age and lower fetal mortality. It is clear that pregnant women who are at greatest risk demonstrate the greatest quantifiable effect of the WIC program. The program is uniquely designed to influence many of the critical determinants of pregnancy outcome in this population of low income women. Its multifaceted approach which includes food, education, prenatal services, counselling, medical care, and triage and follow up represents a comprehensive approach to prenatal service which has set a new standard of care in this nation. It would therefore be imprudent to restrict or dismantle this cost effective and health effective program.

Infant and Child Nutrition

Various measures have been used to determine the outcome of WIC supplemental feeding on children. These include anthropometric measurements, iron status studies and growth monitoring. Studies of the iron status of children concentrate on anemia and hemoglobin levels.

Iron deficiency

At least four studies have shown increased hemoglobin and decreased anemia in children of mothers participating in WIC. Previously studies of iron deficiency in the absence of anemia have not been reported. A recent study however, by Miller, Swaney, and Deinard compared iron levels in a group of children before and after their participation in WIC. A decrease in the percent of infants with anemia was reported in the WIC participants along with a decrease in the percent of infants 6-9 months with iron depletion. Thus, WIC improves the iron status of children with or without anemia. Moreover, in addition to the medical benefit realized, the cognitive development of the young child may also be enhanced.

This is of particular importance in as much as iron is the single nutrient known to be consistently deficient in the diet of WIC eligible populations. The results of the National Health and Nutrition Examiniation Survey which studies a scientifically selected cross section of the U.S. population corroborates these findings. Further, the Center for Disease Control in their Nutrition Surveillance report in August 1984 reports that 12.6 percent of blacks and 6.2 percent of whites had low hemoglobin levels, a result associated with iron deficiency. It is of interest to note that the reported prevalence in blacks in 1982 has risen from the 11.4 percent figure reported in 1978 and has not changed appreciably over the five year study period.

Growth

The effect of the WIC progrm on the growth of children continues to be debated. Nevertheless, a study of the effects of the program on the growth of infants by Heimendinger and colleagues indicates that children on WIC between 6 and 18 months of age are growing at greater than expected rates. The most persistent program effects are seen at 6 months of age after the children have been on the program an average of 4 months.

The Johns Hopkins evaluation did not demonstrate significant differences in anthropometric measures between WIC and non WIC infants at follow up visits of 6 and 11 months of age. Yet, despite the absence of significant differences in growth the program did have a positive impact. The benefits included direct patient education, utilization of nutrition and health care services, outreach and identification of the population potentially at risk, and provision of additional social services as reflected in increased use of food stamps and other community services.

It is also important to point out that energy and nutrient supplementation not accounted for in growth may be producing unmeasured responses in infants and children in the form of increased physical activity, and play. It is well documented that the caloric requirements for activity increase rapidly through the first year while the calorie requirement for growth decreases in a reciprocal manner. Thus, enhanced activity may equal or exceed the value placed on growth as a measure. In fact, Hicks and colleagues report that a WIC supplemented group during the perinatal period showed significant enhancement of most intellectual and behavioral measures when subsequently studied at home and in school.

Conclusions

In summary, it is fair to conclude that the WIC effect on pregnant women results in an increase in birth weight and a reduction in low birth weight. High risk women, minorities, adolescents, and the uneducated benefit most as do women with low prepartum weight and poor weight gain during pregnancy. The WIC program, as a complement to health care, results in not only increased food, but increased prenatal care, maternal education, early detection of medical complications, and patient support. The combined program simultaneously attacks major reasons for LBW and prematurity. It can result in a reduction of almost 50,000 LBW infants per year, approximately 5,000 deaths, and savings in hospital expenses which almost equals the entire cost of the WIC program.

In infants and children the WIC program provides a nutritional head start. It reduces the incidence of anemia, supports growth and provides the calorie and nutrient reserve for enhanced activity. The latter may represent the most desired program results by increasing the youngster's interaction with his environment resulting in enhanced cognitive development. The WIC program, on the basis of its demonstrated need, as well as its accomplishments, demands reauthorization at a level of support necessary to reach all eligible high risk women, infants, and children.

STATEMENT OF MICHAEL LIPSKY
PROFESSOR OF POLITICAL SCIENCE
MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Mr. Chairman, my name is Michael Lipsky. I am a Professor of Political Science at the Massachusetts Institute of Technology. I am appearing today with Marc Thibodeau, who has been assisting me with all aspects of my research.

I will limit my remarks today to issues of likely concern to the Subcommittee as it considers extending the Temporary Emergency Food Assistance Program (TEFAP), on which I have been conducting research for over a year under a grant from the William H. Donner Foundation of New York.

My remarks are guided by three general perspectives that I have developed in the course of my research, which has included visits to food banks and other emergency feeding organizations in ten states, and extensive discussions with local, State and Federal officials.

First, TEFAP is a successful program. It has met its twin objectives of providing important supplementary food assistance to people in need, and significantly reducing surplus food stocks.

Second, it has been a vital stimulus to the development of a remarkable national network of private feeding organizations.

Third, it is constrained by important limitations--inadequate funding for program administration, and excessive verification requirements that are incompatible with the program philosophy of working through and taking advantage of the private network of voluntary feeding organizations.

(In making these observations I will be supplementing my remarks and written materials that appear in the Hearing conducted by the Select Committee on Hunger of the U.S. House of Representatives on September 20, 1984, and by the Subcommittee on Domestic Marketing, Consumer Relations and Nutrition of the Committee on Agriculture of the U.S. House of Representatives, March 1, 1985.)

Should TEFAP be reauthorized?

TEFAP is a program that has reached into millions of needy households with substantial food assistance. Since December, 1981, when the Federal Government first released surplus cheese stocks for distribution to needy households and individuals, over 2.5 billion pounds of surplus food--primarily dairy products but also wheat flour, cornmeal, rice and honey--have been distributed to feed the hungry. The total value of these supplies may be calculated at over $3 billion. As many as 19 million people receive food assistance from this program every month through as many as 20,000 emergency feeding outlets.

TEFAP has also met its primary objective of reducing surplus food stocks, which had risen to dangerous levels when the program was first introduced. Thus far 1.4 billion pounds of cheese has been distributed, reducing uncommitted cheese stocks by approximately 40 percent despite continuing purchases by the Commodity Credit Corporation. Butter stocks are down by more than 80 percent since the beginning of 1982, with 430 million pounds distributed.

The net cost to the government to process, package and distribute these products to state agencies has been only $143 million (assuming, conservatively, that the goods would be in storage for one year and excluding CCC purchases resulting from displaced commercial sales). Expressed in other terms, each pound of cheese has been distributed to the States at a cost of 8.87 cents per pound. For butter, the figure is $1.09 per pound.

By utilizing community action agencies and food banks run primarily by volunteers (where they exist), the program has also been extremely cost effective for the Federal Government in distributing products from state agencies to end-use recipients. In fiscal year 1984, for example, the Federal Government's reimbursement to the States and local distribution agencies amounted to only 3.7 cents for every dollar of food product distributed.

There are three additional reasons for supporting the reauthorization of TEFAP. First, surplus dairy products distributed through TEFAP represent stable and reliable sources of protein to food banks that too often are able to obtain through private contributions products of only marginal value. One survey of participating food banks revealed that TEFAP foods represented 60 percent of the protein value of all foods distributed by those organizations.

Second, TEFAP contributions represent 35 to 40 percent of the food inventories of food banks and local feeding organizations. Extension of the program will allow them to continue at present levels of operations.

Third, TEFAP reaches a portion of the needy population that has not otherwise been reached by the food stamp program. This conclusion is supported by surveys undertaken by organizations concerned about the adequacy of available support programs, as well as the impressions we have received in discussions with local feeding organizations and people waiting to receive cheese on the lines. For example, 41 percent of TEFAP recipients in Detroit do not receive food stamps, although they appear to be eligible by virtue of their low income. National estimates of TEFAP recipients who do not receive food stamps range from 30 to 60 percent.

Should the Congress continue to provide reimbursement for administrative expenses associated with TEFAP, and if so, at what level?

Funds available to States and surplus commodity distributors within States have played a vital role in extending commodity distribution throughout the Nation. There is an evident case for continuing to make expense reimbursement funds available to States and emergency feeding organizations. More than that, there is a substantial case for increasing them.

Administrative expense reimbursement has been critical to whatever success the TEFAP program has enjoyed. In 1983, Congress received extensive testimony in hearings concerning the hardships that community organizations were experiencing in attempting to administer the Federal commodity distribution initiative. The community groups recruited by the States to give cheese and other products away could not obtain adequate storage facilities, properly run warehouses, pay for transportation, or organize themselves administratively to accept the responsibility for Federal products distribution.

These concerns have abated considerably since the jobs bill (P.L. 98-8) and its successors have made funds available to reimburse States and emergency feeding organizations for administrative expenses. The States have also developed the administrative capacity to adequately monitor the program since the Federal Government has allowed them to recover the costs of operation. Maintainance of administrative reimbursement is critical, and increases in administrative reimbursement funds are essential, if there is to continue to be large scale cooperation of states and community organizations in this program.

Let us note at the start that the funds allocated for local expense reimbursement have never been adequate. As a 1984 USDA study suggested, five percent of the value of commodities is "probably" less than the amount necessary to pay for local distribution costs. Yet funds for local distribution have never equalled even the five percent maximum permitted by law to go to local distributors. Indeed, in fiscal years 1984 and 1985, if all the expense reimbursement money went to local agencies and none went to reimburse States costs, reimbursement funds still would not equal the allowable (and adequate) five percent.

There are several other reasons why Congress should increase administrative expense reimbursement.

First, participation in commodity distribution has lagged because States, and emergency feeding organizations, have run out of money to run the program. As of May 1, only 28 States had filed order for the fourth quarter of fiscal year 1985. Of the 22 States that had not filed orders, Maine, Vermont, and New Hampshire had no filings for several months. New Jersey has had no program for eight months. South Carolina has been an irregular participant for the last two quarters. Programs in 18 other States show substantial reductions (i.e., at least one-third) in products ordered for the period June to September, 1985. These cuts are almost certainly related to the unavailability of reimbursement funds.

Simply put, these shortfalls mean that in a significant number of States there will be no supplemental cheese, butter, rice or cornmeal available for direct distribution during the summer months to people in need. It also means considerable strain on the ability of soup kitchens, food box programs, and other emergency feeding organizations to sustain the hungry population over the summer.

Some States may seek supplemental state appropriations to carry the program through for the fourth quarter, undoubtedly with varying responses. However, the possibility that States will seek supplemental appropriations does not adequately respond to the inequity created by a Federal policy that conditions federal food assistance on the availability of State funding.

The inequity of dependence upon state capacity adds to a program already burdened with unfairness in other important respects. Twenty-four States have adopted a standard of 125-130 percent of the poverty level in determining program eligibility. But 25 States have adopted a standard at or in excess of 150 percent of the poverty level, some setting it as high as 185 percent. In a program that does not have enough to go around for every eligible recipient, clearly needy people in the former group have a better chance of receiving help because the eligible population in their States is so much smaller.

Another source of inequity is that the chances of an eligible household receiving Government surplus commodities depends upon whether there is a community organization in the area that is willing to administer the program.

Last fall Florida had no distribution in 15 out of 67 counties. Texas had no program in 10 counties for lack of distributing agents. There was no mass distribution in Cleveland for three months last year because the Cleveland Food Bank was fed up with the reporting requirements and refused to continue its participation. Lack of coverage in rural areas due to the inadequacy of the distribution network persists in most States.

With some States balking at the unfunded administrative costs of running the program another dimension of inequity arises: whether one can receive emergency food assistance from the Federal Government now depends, among other things, on the willingness of states to support the administrative costs of surplus disposal.

There are several additional reasons to increase administrative support reimbursement. First, while administrative expense funding has been level for two years, inflation has driven up expenses. Meanwhile, USDA regulations, particularly those requiring distributing groups to verify individual eligibility for the receipt of goods, have increased administrative costs.

Second, competition within States from additional distribution outlets, and the increased administrative ability of feeding organizations, have placed further strain on available reimbursement funds.

Third, the discontinuation of bulk cheddar cheese distribution means the demise of the cut-and-wrap operations through which more than a dozen states were able to subsidize their other surplus food distribution operations.

Fourth, community action agencies and their equivalent, which serve as prime distributors in more than half the States, will be forced to abandon other activites even more than they do now if they continue to be under funded for food distribution; or they will abandon participation in the program. This observation in particular shows the irrelevance of the claim that local agencies should be happy to have the food without expense reimbursement because they are normally in the business of providing food to the poor. Obviously this argument cannot hold where CAPs are the primary distributors.

Fifth, if food banks cannot recover their costs they may be forced to increase the shared contribution fee that they charge member agencies to cover their expenses. Thus, the lack of administrative cost reimburesement would fall overwhelmingly on local churches and the hard-pressed urban charities that are already stretched to the limit by their commitments to feeding the hungry and caring for the homeless.

Finally, even where food banks do serve as distribution agents, the Federal Government should provide reimbursement for administrative expenses even though the food banks incorporate government surpluses into their normal operations. This is because for every dollar spent by the food bank network, $20 or more of food is provided to recipients of food bank activities. Food banks whick lay out cash to administer TEFAP will be less able to serve new food pantries, and less able to solicit food from the private sector. Reductions in administrative expense reimbursements therefore impair the ability of private feeding organizations to perform the essential task of supplementing Government assistance programs.

The issue of eligibility verification. Over the course of the last four years, the Federal Government has increasingly attempted to push eligibility determination responsibilities onto local distributing agencies, and feeding groups such as soup kitchens, food box operations, and the like. Last July, the Food and Nutrition Service published proposed regulations that would make every food bank and distributing agency responsible for 1) maintaining records showing the data and method used to determine the number of eligible households served by that organization; 2) maintain records (for a period of three years) showing the name of the household members receiving commodities, the address, and the basis for determining that the household is eligible to receive commodities. These regulations would exacerbate the burden already placed upon thousands of distributing groups to verify individual eligibility on the basis of proof of income pursuant to P.L. 98-92.

The Draconian approach to eligibility verification for federal commodities is contrary to the charitable impulses which motivate the frontline, voluntary feeding groups. It is profoundly and understandably alienating to these organizations which do not aspire to be welfare agencies, and which came forward to address the problem of hunger before the recent period of Federal involvement.

These groups resist the increasingly stringent demands made on them to check recipients' eligibility. They believe their altruistic and charitable spirit will be fundamentally damaged if they are required to demand proof of eligibility from friends and neighbors, strangers and "regulars," whose need is taken as evident by their presence on the cheese line: that they are hungry, that they do not have enough food for their children.

Moreover, community feeding organizations and community action agencies are not fully capable of meeting Federal administrative requirements. Our field observations lead us to agree with the 1984 USDA study which concluded:

> The limited resources and diversity of food banks and food box programs would make it difficult for them to implement excessive requirements for reporting and recordkeeping, verification of eligibility and other mechanisms of accountability in order to be eligible to receive USDA commodities.

In addition, the increasingly detailed and exhaustive audits experienced by these programs is disproportionate to any anticipated benefits to Government when one considers that the typical distribution to households involves items of less than $15 in value. The Federal Government is wasting money and defeating its purpose of encouraging voluntary, community efforts to feed the hungry by visiting excessively onerous verification requirements on local charitable organizations. For example, the CAP agency in Clare, Michigan (one of 32 CAP distributors in the state) spends $18,000 per year in order to comply with existing verification requirements.

The Congress should seek to insure that eligible people receive surplus food by certifying the eligibility of local distribution organization rather than the eligibility of individuals. States could certify that local feeding groups indeed serve predominantly poor people in need of food. This would be significantly cheaper and more consistent with the essential nature of the private organizations that have joined government in this partnership for hunger relief if verification of organizational eligibility were substituted for verification of individual eligibility.

There are precedents for this approach in the Summer Food Service Program, in which eligibility is determined by the poverty level of the area in which the program is being mounted. No showing of the poverty of every individual program participant is required. As well, the Emergency Food and Shelter Program, set up as part of P.L. 98-8 and later extended by P.L. 98-151, P.L. 98-181, and P.L. 98-396, used a form of organizational eligibility to decide how to disburse relief funds. In this program of the Federal Emergency Management Agency (FEMA) the private nonprofit voluntary organization had to submit certification indicating its intent to use funds for their prescribed purposes. In such a system, auditing and spot checks can still keep organizations accountable, without excessive administrative efforts to keep track of every recipient.

Additional administrative issues. Currently several bills are before Congress that speak to the administration of TEFAP. In the House, H.R. 2422 would clearly define which costs are to be considered state costs, and which are to be considered local costs. This should help standardize and make more equitable reimbursement to local groups nationwide. In addition, funds would be made available to states on an advance grant basis, enhancing State fiscal year planning.

States would also be permitted to enter into interstate compacts for the distribution of USDA surplus foods. Such a provision should help reduce discrepancies between States that are well-served by major non-profit distributors and those that are not. This bill would also require the Secretary of Agriculture to promulgate accountability standards more appropriate for the kinds of organizations that actually distribute USDA commodities than those currently employed.

We support these proposed changes in the administrative structure of TEFAP. We regret that, so far as we know, none of the proposed TEFAP legislation yet addresses the continuing issues related to special aid to rural America, the need for technical assistance to expand the food bank network to areas in which it does not yet exist, and the desirability of reducing the administrative burdens placed upon emergency feeding organizations.

STATEMENT OF REV. RICHARD ETZEL, DIRECTOR
ST. MARY'S KITCHEN, KANSAS CITY, KANSAS
AND
MRS. WILHELMINA GILL, DIRECTOR
WYANDOTTE COUNTY EMERGENCY ASSISTANCE
CATHOLIC SOCIAL SERVICES, KANSAS CITY, KANSAS

For three and one half years, we have been operating a Food Service for the Needy in Kansas City, Kansas. Lunch is served everyday, 7 days a week, to any and all who appear at the kitchen site at 5th and Ann in Kansas City, Kansas, 55 church and civic groups each take one turn a month, supplying the food for the meal, and providing volunteers who serve the food at the meal. No governmental funds are used, be they local, State, or Federal, in the service.

In 1983, after the U.S. Congress passed the Jobs Bill, to which a special rider was attached granting $75,000,000 to the States for purchase of commodities for feeding programs, Kansas had 6 sites approved for distribution of these foodstuffs. Ours was among the largest in the State and we received a consignment of some 9,000 cases of nonperishable commodities. We used these foods during the entire year of 1984.

These commodities, USDA alloted, were of excellent quality. In using the foods, our participating churches and groups were able to handle the monthly increase of patrons. At the same time that the allotment was running out, we have seen an increase in numbers of hungry people.

We do not wish to present a paper quoting a lot of figures and statistics. But a few seem very important to our request, and to this hearing.

Our numbers have increased steadily since we first opened in 1982. At first, as you might expect, the increase in patrons was very rapid as word spread about our service. After one year, it leveled off and we think now, after three and one half years, we have a clear indication of the pattern of growth. Furthermore, our numerical statistics are accurate since we use a number ticked system of counting patrons.

In 1983, we had 131,838 patrons use the kitchen, 21,577 were children. In 1984, we feed 144,237 people, with 24,700 children. So far in 1985, we have had 57,826 diners with 8,696 of them being children.

We have noticed that in the last 6-8 months, the numbers have increased by about 7 percent each month and are presently averaging 12,000 plus each month. We expect that we will see a significant increase this summer since we attract more families with school children now that they will no longer receive lunch in school. As a matter of fact, the day before we left Kansas, June 12, our daily count was already up to 509. Usually we hit 500 near the end of the month. You see, people use the kitchen for the most part, only when their money or stamps run out. We note the increase each month about the 15th or 20th of each month. We expect 13,500 plus for the summer months.

We have one last set of data that might help to understand our situation in Kansas City. Three other kitchens have been opened since 1982. In the Argentine district the second kitchen served 19,700 people. (The director told me that on a day when the temperature was -18, 53 people showed up to eat.) A third kitchen located in the inner city served 11,500 people last year. A fourth kitchen in the outer county also served 1,500. Added to our totals, the food services fed 200,000 people last year.

Sometimes the question is raised as to whether we serve the truly indigent people or just some adults who want to take advantage of a free meal. We are convinced that substantial numbers, up to 90-95 percent need to be in the lines. Many are young families, more caucasian than black or minority; older citizens; disabled and mentally handicapped; many able-bodied men who have been unsuccessful in their job search. While jobs are available in some sectors locally, these generally require skills or experience, or demand the possession of an automobile; still other jobs use only part time employees often at minimum wage, not adequate to cover monthly expenses of a family. We see many who are not eligible for entitlement programs, either of the State or the Federal Government. Certain ones who come have no income at all and are not eligible for any assistance. As hard as it is to believe, there are substantial numbers of these people.

What we are saying to you, the Senate, indeed the whole Congress, is that while the upturn in the economy has brought work to many people, there is still a sizeable group in our city--and we suspect the same is true in other locations--who have no income, no job, and no prospects. We feel that it is our duty to try to help them. We also want you to know that while many are employed and thus do have income, many are underemployed, and do not earn enough to be self-sufficient. You must know that there are many who are not entitled to any assistance, for a variety of reasons. And they feel hunger the same as the rest of us.

We do not boast when we say that we of the church are doing our part in supporting these men and women. But to be honest it does not seem possible for us to carry the whole burden. We believe the various units of government must continue to carry a substantial share of the burden in this matter too. We are asking you not to get out of the business of helping our citizens who can not help themselves. We feel all of us must work together to respond to this need.

In practical terms, we are asking that you consider, not only the TEFAP program and food stamps for the needy, but also assisting us, who work in the nation's bread lines and food services for the needy, with other commodities, more balanced and nourishing than just cheese, butter and rice. No doubt you can see that such perishables could not be the diet each and every day. We need other commodities. The participating churches are having increasing difficulty in feeding the greater numbers of people in need. We are asking that, even though it may be late to include a request into this year's budget, help us gain access to another allocation of nonperishable commodities. We seem to have money for so many other things, some quite frivolous. Why can't we make it a more priority of Government, that no citizen shall go hungry. We have enough food in this land to do it. Let it not be said that we lacked the will.

We speak above only from experience. We know that the matter is complicated. We simply want you to know that although the economy may have turned upward for millions of Americans, equally there are millions still mired down in the throes of poverty. We must help them. And we feel the government should help us who directly serve the poor without a noticeable increase in spending.

Finally, we thank you for the opportunity to be here with your committee and offer our humble service. If we can be of any assistance to the committee, or you Senator Dole, in solving this problem of hunger in our land, please do not hesitate to call on us.

STATEMENT OF DR. DAVID RUSH
PRINCIPAL INVESTIGATOR, NATIONAL WIC EVALUATION
PROFESSOR OF PEDIATRICS, OBSTETRICS AND GYNECOLOGY
ALBERT EINSTEIN COLLEGE OF MEDICINE, NEW YORK, NEW YORK

My name is David Rush, I am a pediatrician and epidemiologist, professor of Pediatrics and of Obstetrics and Gynecology at the Albert Einstein College of Medicine in New York City, head of its Division of Pediatric and Perinatal Epidemiology, and, from October 1981 to this spring, Principal Investigator of the National Evaluation of the Special Supplemental Food Program for Women, Infants, and Children (WIC). The final draft report of the evaluation was submitted to the Food and Nutrition Service on December 8, 1984, and resubmitted in March, 1985, incorporating changes reflecting their suggestions and comments.

I hope that I can contribute in a constructive way to this committee's ability to meet its very important responsibilities to the health and nutrition of our youngest citizens, those who are now most dependent, yet upon whom our society will some day, in turn, depend.

Understanding that the committee has not yet received our report, I will first present an emended executive summary. Obviously, I would prefer to come before you after you had been able to see the full report and draw your own conclusions on our work, but it is clearly my responsibility to help you reach the best-informed decisions possible in the absence of the report.

I was asked by the Food and Nutrition Service to take over the WIC evaluation in the Autumn of 1981, a little over two years after it was begun. I did so after it was agreed that we could take a fresh look at the best way of meeting its defined goals, and could, if necessary, redesign the evaluation.

At the conclusion of this effort, in June, 1982, a decision was made to execute four complementary and interrelated substudies. This work was done collaboratively, and included a team under my direct supervision in New York; another team at Research Triangle Institute, headed by its current executive vice president, Dr. Daniel Horvitz; and FNS staff, coordinated by Dr. W. Burleigh Seaver, of the Office of Analysis and Evaluation. This collaboration has worked smoothly and productively; each group has contributed necessary and special perspectives and skills. Such a complex administrative arrangement was new to me, but I think we have all learned much from each other.

I will present the executive summary of our report, with a few emendations which bring my thinking about the findings of the evaluation up to date.

Specific objectives of the evaluation included:

- Assessment of the effects of WIC program participation on pregnant women, including dietary intake, health care utilization, nutritional status, and pregnancy outcome;
- Assessment of the effects of WIC program participation on children, including dietary intake, health care utilization, growth, and psychological development;
- Determination of the effect of WIC benefits on family food, and especially grocery, expenditures.

The evaluation consisted of four interrelated studies, conducted concurrently. The first two studies addressed the effects of WIC participation on pregnant women and their newborn infants. The third assessed the effects of WIC on infants and children, and the fourth evaluated the impact of WIC program benefits on household food expenditures.

- The Historical Study of Pregnancy Outcome estimated the effect of the WIC program on birth outcome over the 9-year period from 1972 to 1980 for all 12 million births in 19 states and the District of Columbia. WIC program participation data, vital statistics, and the U.S. Census were used.

- The Longitudinal Study of Pregnant Women collected data from a nationally representative sample of 3,863 women enrolled in WIC from 174 clinics across the nation and 1058 comparable women enrolled for care in prenatal clinics in the same 59 geographic areas, but not enrolled in the WIC program. The effects of WIC on maternal dietary intake, weight gain, and skinfold thickness (a measure of energy stores), duration of gestation, birthweight, and infant length and head circumference were estimated from data collected at intake into the WIC program, or, for nonparticipants, at first prenatal visit, from follow-up in the eighth month of pregnancy, and from hospital delivery records.
- The Study of Infants and Children was a cross-sectional study of 2619 preschool children of women in the Longitudinal Study. One-third of them were currently enrolled in the WIC program, one-third had been enrolled in the past, and one-third had never participated in the program. The study estimated effects of WIC benefits on dietary intake, physical and psychological development, and use of health services.
- The Food Expenditure Study measured the impact of WIC benefits on household food, and particularly grocery expenditures. All pregnant women were questioned on their food expenditures, and 1,031 WIC and non-WIC women also completed detailed food-expenditure diaries.

In addition, we comprehensively reviewed previous research on the effects of the WIC program on health, growth, and development.

Summary of Results:

Pregnant Women and Newborn Infants:

Past research suggested that WIC participation reduced the rate of low birthweight by about 1 to 2 percent, and increased average birthweight by between 15 and 60 grams. Estimates of the effect of the WIC program on infant mortality were not secure.

The National WIC Evaluation found the following major effects on pregnant women of the WIC programs:

- A significant increase in first trimester registration for prenatal care, and a significant reduction in the proportion of women with inadequate numbers of visits for prenatal care (Historical Study).
- Significantly lower early pregnancy weight gain among WIC women was reversed during program enrollment (Longitudinal Study). There was consistent and significant negative relationship between WIC benefits and maternal fat stores in late pregnancy (Longitudinal Study). This latter finding was unexpected.
- The duration of gestation was significantly longer (1.4 days) among WIC recipients (Historical Study). The rate of preterm delivery was significantly decreased among less advantaged women (those with under twelve years of schooling) who received WIC benefits (Historical Study).

- In the Historical Study, there were significant increases in birthweight associated with WIC benefits, the estimates ranging from 23 to 47 grams. While there was no significant difference in birthweight between infants whose mothers received WIC benefits and those of control women in the Longitudinal Study, birthweight was significantly related to the quality of the local WIC program's operation, as judged by State WIC directors.
- In general, beneficial effects were greatest among pregnant women assumed to be at greater risk, i.e., among women with less education, or ethnic minority women (Historical Study).
- The average head circumference of newborn infants whose mothers received WIC benefits was significantly greater than that of controls (Longitudinal Study). (This finding was parallel to results for preschool children. See below.)
- Participation in WIC was associated with significantly reduced late fetal death (2.3 per 1000 births) (Historical Study). The estimated magnitude in reduction of neonatal (early infant) mortality was similar, but not statistically significant (Historical Study). This is the first secure demonstration that a dietary program in pregnancy can lower fetal or infant death rates.
- WIC enrollment was associated with improved intake of protein, iron, calcium, and Vitamin C, nutrients specifically targeted by the program, as well as of calories, magnesium, phosphorus, thiamin, riboflavin, niacin, Vitamin B6, and Vitamin B12 (Longitudinal Study).
- WIC enrollment had no apparent effect on maternal smoking or alcohol consumption, both known to be harmful during pregnancy (Longitudinal Study).
- WIC enrollment had no effect on the intention to breastfeed or on rates of breastfeeding at hospital discharge after deliver (Longitudinal Study).

Major Effects of WIC on Infants and Preschool Children

Sound past research on the effects of WIC program participation on preschool children is scanty. However, research on supplementary food programs among poor, third-world children has demonstrated that such programs have had minimal effect on linear growth in childhood, and the findings for WIC are unlikely to be very different.

The effects of WIC program participation on infants and preschool children, estimated in the National WIC Evaluation, were:

- Among infants, significantly increased intake of iron and Vitamin C, and significantly diminished rates of low intake of iron, Vitamin C, and Vitamin A. Infants enrolled in WIC are fed iron enriched formula, rather than whole milk; their intakes of protein, calcium, magnesium, phosphorus, and Vitamin B6 were consequently lower than those of control infants, but were greater than the Recommended Daily Allowances for these nutrients.

- Among older preschool children enrolled in the program, there were significantly increased average intakes of iron, Vitamin C, thiamin, niacin and Vitamin B6, and significantly decreased rates of low intake of Vitamin A, riboflavin, and Vitamin B6.
- Greatest dietary benefits were among children presumably at highest risk: children who were poor, short, black, or in families consisting only of the mother and preschool child.
- There were no measurable effects on children's diet of past WIC enrollment, only of current benefits. Children no longer enrolled in the program were as likely to be at high risk (i.e., short, poor, thin, etc.) as those currently receiving benefits, and therefore presumably at as great need of help as those still enrolled. (I will return to this finding in my conclusion.)
- WIC participants were shorter than control children, probably as a consequence of program selected criteria. However, if WIC benefits were begun in utero or in infancy, there was no parallel deficit in head circumference. (This expected finding was parallel to our results for newborns in the Longitudinal Study.)
- Children currently enrolled in WIC were more likely to have a regular source of medical care and were better immunized than those not currently enrolled.
- Children of ages four and five who began WIC benefits in utero had significantly better vocabulary scores, and those whose benefits were first received after the first birthday had significantly better digit memory, than control children.

Major Effects of the WIC Program on Food Expenditures

Recalls and diaries of food expenditures showed the following:

- Families of women enrolled in WIC spent significantly more on WIC-type foods than non-WIC families did.
- Families of women enrolled in WIC continued to spend less on meals away from home than did non-WIC families, even with the increase in real income which results from receipt of the WIC food package.
- Increased expenditures for WIC-type foods by families of women enrolled in WIC, and lower spending on meals away from home indicate potentially better nutrient quality of diets, even with the same total food expenditure.

I disagree somewhat with the following conclusion of the RTI staff, which appears in the draft of our report:

> "Overall, WIC families did not increase their total food expenditures as a result of program participation. The value of the food package is almost totally substituted for expenditures the family would have made without the program."

The evidence for the effect of WIC benefits to the pregnant woman on total family food expenditures is not clear cut, though it was clear that the families of these women spent a higher proportion of their food money in the grocery store, rather than in restaurants, than did control families. While the economic impact of WIC benefits to the mother were unclear, WIC benefits to infants and children were consistently and significantly associated with greater total food, and especially grocery, expenditures by the family. In my judgment, our data on food expenditures show that the WIC program is bringing more food, and food of higher quality, into the households of children enrolled in the WIC program.

In summary, we found that WIC improved the diets of pregnant women and children. Among infants, WIC increased consumption of iron enriched formula, in place of cow's milk. The nutritional effect was to increase iron intake and decrease the intake of protein, calcium, phosphorus, and magnesium--which have lower concentrations in formula than in cow's milk--but not below the RDA's.

WIC lengthened gestation, and reduced the likelihood of preterm delivery. WIC probably increased birthweight, though the evidence from this evaluation was mixed. WIC benefits were associated with reduced late fetal death, and possibly with a reduced death rate among newborns. WIC benefits during pregnancy increased the infant head size.

WIC improved pregnant women's weight gain and use of prenatal care. It did not reduce their smoking or drinking, or change their likelihood of breastfeeding.

WIC probably does not affect the height or weight of children, but our research could not assess these changes over time, and so cannot support strong conclusions one way or the other. Children who entered WIC in postnatal life were shorter than controls, probably reflecting appropriate targeting of the program to high-risk children.

WIC benefits were associated with greater likelihood of children's having a regular provider of medical care and being properly vaccinated. They were also associated with some evidence of better cognitive performance in children.

In my opinion, the study gave inconsistent results on whether WIC benefits to pregnant women increased the family's food, and especially grocery expenditures. WIC benefits to infants and children, in contrast, were clearly associated with significant and major increases in family food expenditures: food was being bought that would not have come into the household of these children without WIC.

In conclusion, I will stress several issues that seem to me of particular urgency, after this intense scrutiny of the WIC program.

1. There is strong evidence that the health education associated with the program is not as effective as it should be. WIC enrollment by pregnant women was not associated either with decreased use of alcohol or tobacco, or with the increased likelihood of breastfeeding.

2. Past research, and evidence from this study, including increased infant head circumference, suggest the possibility of important psychological benefits for the child associated with WIC enrollment by the mother during pregnancy. It is therefore of the utmost urgency that FNS reactivate its plans to follow up infants born in this study. Unless this is done without delay, it

may become impossible to do at all: the children will be difficult to find, and perhaps too old to evaluate properly. This would be a tragedy, since we may never again have the opportunity to properly address this key issue.

3. This study found as many children at highest risk lost from the WIC program as retained in it. My intuition tells me that there are also large numbers of eligible recipients who were never enrolled in the program in the first place. The program might well, in my opinion, be thought of as an entitlement program, albeit for those at higher risk than some now receiving benefits.

4. The content of, and strategies for, future research deserve forethought. Among the important issues which remain to be addressed are:

   a. The effect of WIC benefits on the frequency of iron deficiency anemia, and the impact of decreased anemia on child development, particularly psychological development.
   b. The rates of coverage by the WIC program of those at highest risk.
   c. The promotion of efforts at regular follow-up of past recipients, in order to retain or reactivate those at highest risk.
   d. The promotion of better health education.

5. Careful thought should go into the process by which research issues are chosen and projects solicited (oversight of ongoing research seems to me to be functioning quite well). Expert, diverse skills outside the department should be integrated into this process.

6. The local and state WIC agencies should be collecting, using, and supplying key health data as part of their regular operations, so that simple but important questions can be answered without the need for massive, infrequent, and expensive efforts such as this National Evaluation.

[The following information was furnished by Eleanor Josaitis, Focus: HOPE, Detroit, MI]

Focus: HOPE Is . . .

. . . a civil and human rights movement of metropolitan Detroiters working together since 1968 to overcome the effects of racial injustice. Thousands of volunteers and more than 200 employees pursue practical programs to combat poverty, promote racial understanding, and solve social problems.

MAJOR FOCUS: HOPE PROJECTS

Focus: HOPE's Food Prescription Program

is the nation's largest program distributing U.S. Department of Agriculture commodity food supplements to pregnant and postpartum mothers, infants, and preschool children. From three distribution centers in Detroit and one each in Pontiac and Romulus, the Food Prescription Program serves more than 50,000 low-income mothers and children monthly. Doctors and health professionals prescribe the foods for six-month periods because lack of nutrition during infancy and childhood can cause serious, permanent damage. Distribution centers are designed for self-service, choice among a variety of products, and a dignified atmosphere. Volunteers drive mothers who lack transportation. A full program of nutrition and health education, using monthly videotape features, a newsletter, recipe contests and cooking demonstrations, lends encouragement for a supportive family environment.

Focus: HOPE Food For Seniors

is a national pilot program providing similar commodity food supplements to 7,500 seniors over age 60 each month. Focus: HOPE food centers and volunteer drivers are used. More than 60 churches, clinics and service organizations in the tri-county area help identify and serve the neediest seniors. But the waiting list includes 10,000 seniors whose average income is $320 a month. Food for Seniors seeks to demonstrate that the provision of food to the elderly poor will improve their well-being and self-sufficiency, and will reduce the need for expensive health care. Congress is expected to vote in 1985 on the merits of expanding this program.

Equal Opportunity Employment

Between 1972 and 1983, Focus: HOPE provided research and technical and attorney support for two suits brought by black and female employees against the Automobile Club of Michigan. Both succeeded. In 1979 a federal district court found sex discrimination. In January, 1982 the Automobile Club agreed to step up hiring of women at all salary levels and to pay women employees $3.75 million. In February 1983 the Automobile Club agreed to pay $3 million to current and former minority employees and applicants and $1.7 million to an innovative trust fund. The fund provides low-interest home mortgages and auto loans to allow black employees to work at any AAA office, particularly outside Detroit.

Industry Mall

is a 23.5-acre, 628,000-square-foot industrial center for high skill training in the precision machining and metalworking industry, industrial revitalization and new employment, and the creation of minority ownership in machining. Components include the Machinist Training Institute, two small machine shops, and Cycle-Tec Industries, which remanufactures General Motors transmissions and concentrates hiring among unemployed minority residents of the immediate community. A Center for Children and an industrial medical clinic for mall employees and trainees will be added in 1985, along with expanded contract procurement and quality assurance departments. Large-scale support for the project has come from government, foundations, and business.

The Machinist Training Institute

aims to lead minority youth and others into an area of high technology historically closed to women and blacks. The centerpiece of Industry Mall, the Machinist Training Institute enrolled its first students in November 1981. With over 200 machine tools valued at $2 million, it is now the country's largest school for machinists. State-licensed, the institute offers an eight-month basic course and advanced training in such subjects as computer numerical control. Instructors are mostly retirees with a lifetime of experience, and actual contract production is included in training. Machine shop owners and managers help screen applicants and advise on curriculum. Institute graduates have been well-received by employers.

Videotape Education Project

produces original videotapes depicting critical civil rights issues and supporting all other Focus: HOPE projects. A half-hour program in a magazine format brings vital new information each month to food program recipients and is screened continuously at the distribution centers. Special tapes, such as The Skilled Machinist Training Program and The Commodity Supplemental Food Program, are regularly used to introduce projects and to develop understanding and support. Focus: HOPE's documentary, Broken Promise, was shown on local television to increase community awareness of elderly hunger and was entered in testimony before Congress, leading to legislation of a new national pilot program.

Share With A Senior

Since 1982 Focus: HOPE and WDIV-TV, Detroit's Channel 4, have teamed up to sponsor Share With A Senior between Thanksgiving and Christmas. The station broadcasts newscasts, interviews, and public service announcements that highlight the isolation and hunger of the elderly poor and encourage donations through Focus: HOPE. The project provides food, gifts and companionship to about 6,000 seniors each year. **Family to Family** enlists similar caring for families in need during the holidays.

BROTHERHOOD EVENTS

celebrate the ideals of Focus: HOPE, renewing commitment to racial justice and integration. The annual **Walk For Justice** brings together thousands of Focus: HOPE friends who collect contribution pledges before the 10-mile march from the State Fairgrounds to Hart Plaza on the Detroit River. At the **Holiday Music Festival,** top local jazz, gospel, and folk artists entertain Focus: HOPE supporters. The **Bob-Lo Boat Ride** gathers more than 1,000 Focus: HOPE friends for an evening of fun cruising the Detroit River.

SUPPORT SERVICES

The **Volunteer Department** coordinates efforts of thousands of volunteers. Focus: HOPE volunteers drive Food Prescription Program and Food for Seniors participants; prepare newsletter and other mailings; provide professional consultation and technical assistance; assist in research and phone outreach, and perform many other indispensable services. The **Publications Department** prints Focus: HOPE News, a bi-monthly newsletter, the monthly Food Center News and Senior Express, and all other materials used by the organization. **Data Processing** keeps accurate project and organizational records, expediting service, analysis, planning and reporting. **Word Processing** assures fast, high-quality written communications for a wide variety of purposes.

THE FOOD PRESCRIPTION PROGRAM

Executive Precis / June 17, 1985

Focus: HOPE's Food Prescription Program, begun in 1971, is the nation's largest commodity supplemental food program for pregnant and post-partum mothers, infants, and preschool children. Each month Focus: HOPE distributes US Department of Agriculture commodities to more than 47,000 low-income persons, on prescription from 450 cooperating clinics, hospitals and health service agencies.

Health professionals prescribe the foods for "at risk" women and children up to six years old to insure normal birth and full physical, mental and emotional development. Prescriptions are valid for six monthly food supplements and can be renewed as long as family members remain eligible.

The commodities are commercially produced for the USDA label through competitive bids. Included in supplements are: infant formula and rice cereal, evaporated milk, instant milk, meats, vegetables, fruits and fruit juices, eggs, farina cereal, peanut butter, dry beans, instant potatoes, cheese, rice, raisins, and honey.

The USDA foods are received by rail and truck shipment and are initially stored at Focus: HOPE's 147,000 sq. ft. central warehouse on Detroit's east side. From there they are shipped to Focus: HOPE's five food outlets: Oakman Boulevard at 14th Street, Vernor at Livernois, and Chalmers at Harper in Detroit, Osmun at South Paddock in Pontiac, and Beverly at Wayne Road in Romulus. The food distribution centers are designed for self-service, choice among a variety of products, and a dignified atmosphere.

As a volunteer organization, Focus: HOPE also coordinates participation by clinic personnel, which is voluntary, and several thousand volunteers who provide rides for participants with no other means of transportation.

A full program of nutrition and health education, using monthly videotape features, a newsletter, recipe contests and cooking demonstrations, lends encouragement for a supportive family environment.

In fiscal year 1984, Focus: HOPE distributed nearly 23 million pounds of commodities. These foods were purchased and shipped by the USDA at a cost to the taxpayer of $15.2 million, less than half of what would have been spent for the same foods at local retail stores using food stamps or WIC coupons. This economy, matched by Focus: HOPE's low administrative costs (less than 15% of food value), and accurate computerized record-keeping, partly accounts for the unwavering congressional support given the program.

Also compelling support is the program's proven effectiveness in reducing infant mortality, morbidity, and the incidence of low birthweight babies, virtual elimination of anemia among children, and assurance of normal height and weight growth patterns -- all findings of a national evaluation conducted in 1981.

Focus:HOPE • 1355 Oakman Boulevard • Detroit, Michigan 48238 • 883-7440

FOOD FOR SENIORS
Executive Precis / June 17, 1985

Focus: HOPE's Food For Seniors is a national pilot program established by Congress to test distribution of commodity food supplements as a cost-effective way to relieve chronic undernutrition among the elderly poor. The pilot is based on substantial research associating high health care costs and institutionalization of the elderly with illnesses which are preventable or manageable at much lower cost through nutritional supplementation.

15% of the nation's elderly live in poverty. And 41%, more than 10 million, have incomes below qualifying standards for federal food assistance. The Detroit area need for the service exceeds 100,000.

As an adaptation of the Food Prescription Program, Food For Seniors takes similar advantage of USDA purchasing power. At a federal expense of approximately $11 in commodity food purchases and 15% of that amount for local distribution, it brings into the senior's home a monthly food supplement worth more than $25 at retail. USDA nutritional content tables indicate that the supplement provides 100% of the senior's monthly need for protein, calcium, iron, phosphorus, vitamin D, riboflavin, and vitamin B-12, along with a high percentage of all other vitamin and mineral needs.

Food For Seniors serves 7,600 elderly in the tri-county Detroit area. The project involves 91 cooperating agencies (churches, volunteer organizations, health clinics and social service centers) already in contact with the elderly poor to identify and enroll those who are most isolated and needy, supplying a new resource for care. It engages nearly 4,000 volunteers who transport the elderly to Focus: HOPE food centers or make home deliveries. The dollar value of time and vehicle use contributed by volunteers through the first thirty months of the program exceeded $575,000.

An additional 15,000 seniors who have called Focus: HOPE seeking assistance have been placed on a waiting list, some for as long as three years. The average senior on the waiting list is 70 years old and has monthly income of $365. Those receiving the foods average 72 years old, with $341 in monthly income.

Seniors have found the commodity foods highly acceptable and easy to use in their homes. In periodic surveys, every single senior has stated that the foods were helpful and enjoyable. The surveys also revealed that the program provides much-needed security. Seniors know exactly which foods and how much food they will be getting each month, which adds critical stability to planning a fixed, low-income budget.

As the leading advocate for the pilot, Focus: HOPE has carefully designed Food For Seniors to test various methods of outreach, enrollment, target areas, food distribution systems, education and related services that would be applicable in other settings, with a view toward national implementation. A major program evaluation is being contributed by an interdisciplinary team from Michigan State University. First results are expected late in 1985.

Similar pilot projects are operating in New Orleans and Des Moines.

(The General Accounting Office released a report on September 27, 1985, entitled "Need to Foster Optimal Use of Resources in the Special Supplemental Food Program for Women, Infants, and Children (WIC)", GAO/RCED-85-105. The digest from that report is printed below.)

NEED TO FOSTER OPTIMAL USE OF RESOURCES IN THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The Department of Agriculture's WIC Program provided supplemental foods and nutrition counseling to 3 million participants at a cost of $1.36 billion in fiscal year 1984. These participants comprised pregnant and postpartum (after childbirth) women, infants (up to 1 year), and children (1 to 5 years) who met specified income criteria and were judged to be at nutritional risk. According to some estimates (see p. 6), those who participated represented about one-third of the national WIC-eligible population. Viewing this eligibility potential against efforts to stem federal spending, GAO sought to identify ways to make the best use of limited WIC resources through improved program management.

Because WIC is not an open-ended entitlement program but must operate within congressional funding levels, not all who may be eligible can be served. Thus, it is important to ensure that program resources are used effectively. In its review GAO found, however, that WIC benefits were not routinely being targeted on a priority basis to eligible individuals who program officials believed were inherently the most vulnerable and therefore stood to benefit most from WIC. GAO also found that program resources could be used more effectively if nutritional risk criteria were uniform and stringently applied, income eligibility procedures were strengthened, and WIC funding patterns and practices were changed.

TARGETING WIC BENEFITS TO MOST VULNERABLE ELIGIBLES NEEDS MORE EMPHASIS

Agriculture's Food and Nutrition Service, which administers the WIC Program, has not emphasized targeting as a major policy objective, encouraged states to give special emphasis to continuous targeting, or assessed targeting performance in its management evaluations. Currently, WIC agencies are required to use targeting only when they reach the highest participation level that available funds will support, commonly referred to as maximum caseload. At other times, eligible applicants are enrolled on a first-come-first-served basis. (See pp. 9-10.)

GAO's discussions with WIC program officials and other experts showed a consensus that pregnant women (especially adolescents), infants (especially those born prematurely), breastfeeding women, and postpartum adolescents should be the highest priority targets because they are the most vulnerable during critical periods of growth and development. Of the children, those 1 and 2 years old were considered to be more vulnerable than 3- to 5-year-olds. The Service's prioritizing of participants into specific categories (see p. 10) is generally in line with these views--the two highest priority categories comprise pregnant and breastfeeding women and infants. (See pp. 11-12.)

A 1982 report by the WIC National Advisory Council estimated that about 2.7 million pregnant women and infants were potentially eligible for WIC. These two highly vulnerable groups almost equaled the total WIC caseload in 1984.

GAO's sampling of casefiles at 20 clinics in five states (California, Nevada, Minnesota, Illinois, and Pennsylvania) showed that less than half (48 percent) of the 20 clinics' participants were pregnant or breastfeeding women or infants--the most vulnerable groups. Of the children, about one-third were in the age group (3 to 5 years) considered to be the less vulnerable. At the clinics in Illinois and California, states that have given special emphasis to targeting, over 60 percent of the caseloads consisted of the most vulnerable groups (pregnant or breastfeeding women or infants). The percentages for the other three states' clinics ranged from 35 to 40. (See p. 19.)

Most WIC officials at all levels that GAO talked with said that they supported giving increased and continuous attention to serving those who are the more vulnerable. Some WIC agencies had already taken steps to do this. For example, Illinois had a targeted outreach campaign stressing WIC as a nutrition intervention program for pregnant women and infants. (See pp. 25-26.)

NUTRITIONAL RISK CRITERIA SHOULD BE UNIFORM AND MORE STRINGENTLY APPLIED

To enter WIC, applicants must, among other things, be determined to be at nutritional risk. The Service lets each WIC state agency establish and apply its own nutritional risk criteria within broad Service guidelines. Program officials GAO talked with generally agreed that two factors in particular--inadequate dietary pattern and risk of regressing to a previous risk condition--are the least reliable as measures of nutritional risk and have potential for variability and overuse. (See pp. 31-47.)

GAO's review suggests a need to limit the use of these factors as a basis for WIC certification and a need for refinement and tightening of related standards. GAO's review also pointed out a need to make other nutritional risk standards uniform--including those related to anemia, frequent colds, age of adolescents, and smoking--to ensure that applicants have an equitable access to WIC benefits. GAO raised similar concerns in a 1979 report (see p. 47), which pointed out that a WIC applicant could be considered eligible in one state but not in another--depending on the risk factor and standard applied. (See pp. 47-54.)

INCOME ELIGIBILITY PROCEDURES NEED STRENGTHENING

The Service has not established specific guidance for documenting and verifying applicants' income and family size. (Income limits increase for each additional family member reported.) State and local procedures for determining income eligibility vary, and in some cases are not sufficient to ensure that only income-eligible individuals obtain WIC benefits. Most state and local agency officials GAO contacted agreed that the procedures need to be strengthened.

WIC applicants' income eligibility is automatic if they participate in other programs, such as Food Stamp and Medicaid, that are considered to have income limits and screening procedures at least as rigorous as WIC's. Of WIC participants at the 20 local clinics, about one-third were automatically certified. The others were certified on the basis of reported incomes--some of which were based on applicants' self-declarations.

The states' policies on obtaining and retaining income documentation varied. Of the case~~files~~ GAO sampled in California, Nevada, and Minnesota, 54, 76, and 100 percent, respectively, did not contain any income documentation. In Illinois and Pennsylvania, over 85 percent of the casefiles contained documentation. The clinics that generally had documentation did not consider obtaining and retaining it to be unduly burdensome.

The clinics rarely had independently verified the accuracy and completeness of unsupported income information provided by WIC applicants. In addition, in the case of family size, clinics generally relied solely on applicants' declarations without requiring any documentation or verification. (See pp. 57-65.)

WIC FUNDING CAN BE AN AID OR AN IMPEDIMENT TO PROGRAM EFFECTIVENESS

Judicial and legislative funding and/or spending actions or directives have caused spurts of rapid WIC Program growth and alternative periods of maintaining existing caseloads. These initiatives, combined with Service changes in fund allocation formulas and Service actions (as required by law) to recover states' unspent WIC funds and reallocate them to other states, have led to management and spending pressures that have worked against targeting and orderly, effective caseload management. State and local officials GAO talked with said that states should be permitted to carry over their unspent WIC funds (up to a certain limit) from one year to the next.

Local agency staff told GAO that when substantial growth funds become available and/or when fund reallocations provide additional funds, the number of applicants enrolled sometimes becomes more important than their relative vulnerability and need for WIC.

Several Service initiatives regarding how WIC funds are allocated to, and managed by, state and local agencies hold promise for improving the funding process. (See pp. 71-82.)

RECOMMENDATIONS

GAO recommends that the Secretary of Agriculture require the Food and Nutrition Service to

--Emphasize targeting as a major policy objective to be followed by state and local WIC agencies. (See p. 29.)

--Provide for uniformity in establishing, and stringency in applying, nutritional risk factors and standards by developing dietary screening and assessment techniques and uniform standards of risk for use in certifying WIC applicants. (See pp. 55-56.)

--Strengthen WIC income determination processes. (See p. 68.)

--Obtain state caseload information to help monitor targeting performance and decide on fund allocations. (See p. 83.)

--Propose legislation to eliminate the requirement for periodic recapture and reallocation of unused WIC funds, and to authorize state agencies to carry over their unspent WIC funds (up to a certain limit) to the next year. (See p. 83.)

AGENCY COMMENTS

Agriculture agreed in concept with GAO's conclusions regarding ways to foster optimal use of program resources. (See app. VI.) Agriculture said that it shares GAO's general conclusion that targeting should be emphasized as a major program objective and that much more can and needs to be done to guarantee benefit delivery first to those persons most in need. Agriculture also said that it supports GAO's conclusions that additional program controls can be established to reduce the vulnerability of the certification process in terms of nutritional risk criteria and financial need assessment. Agriculture further agreed that funding policies that present barriers to good targeting should be reviewed and changed where appropriate.

However, Agriculture said that it anticipates receiving important information from various studies and initiatives that will shed further light on targeting, risk measurement, technology, data collection, funds and caseload management, program integrity, and other program aspects. Agriculture said it therefore wished to reserve judgment on GAO's specific recommendations until this additional information becomes available. (See app. VI and pp. 29, 56, 68, and 84.)

In its draft report GAO also made several proposals on the need for Agriculture to provide guidance to WIC state agencies on targeting techniques and the use of inadequate dietary pattern and risk of regression as indices of nutritional risk. Because Agriculture has acted on these proposals, GAO is not including a recommendation on these matters in this report.

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